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Hungary Lifts Block on Croatia-Bound IFOR Trains

AU1812173495 Paris AFP in English 1716 GMT 18 Dec 95

[FBIS Transcribed Text] Vienna, Dec 18 (AFP) — Hungary has lifted a block on seven Croatia-bound trains carrying supplies for U.S. troops of the NATO Implementation Force (IFOR) which have been stuck in Austria since Sunday, a spokesman for Austrian railways said Monday.

He said Hungarian railways had agreed to allow one train to leave from Austria every four hours starting from 00:00 local time (2300 GMT), bound for Kaposvar in southern Hungary near the Croatian border, the spokesman said.

He did not say whether they would be able to continue their journey to Croatia without any further delay.

The seven trains are stuck in several Austrian stations, including three at Bruck-an-der-Leitha, near the Hungarian border, each carrying 30 to 50 U.S. soldiers who are being fed and housed by the Austrian Army in barracks.

A queue of trains started to form on Sunday near Passau, a border town between Germany and eastern Austria, around 50 kilometres (31 miles) from Vienna. The trains are loaded with tanks and military equipment.

The hold-up came after Hungarian railways refused to grant them entry to Hungary, where several Croatia-bound trains were held up.

Meanwhile, a NATO official in Zagreb said that most of the eight trains carrying material for engineers who will construct a bridge across the River Sava, the natural border between Croatia and Bosnia-Herzegovina, had arrived.

This spectacular operation will serve to kick off the deployment of the bulk of the 20,000-strong U.S. contingent in Tuzla, northeast Bosnia for NATO's peace implementation mission in Bosnia.

The first train arrived overnight Monday in eastern Croatia and the last one is still in Germany. They are transporting parts of the pontoons which will allow thousands of U.S. soldiers to cross the river, which is 200 metres (660 feet) wide in places, a NATO military official said.

The first train was carrying the first armoured vehicles of the U.S. deployment — Abrams M1 tanks and Bradley transport vehicles — towards Bosnia-Herzegovina as well as ground mechanics in charge of making safe the banks of the Sava, frozen at this time of the year.

These eight trains will be followed by more than 200 convoys to facilitate the full deployment of the U.S. contingent.

Berisha Says Kosovo Issue Must Be Negotiated

AU1812121995 Sarajevo LJILJAN in Serbo-Croatian 6 Dec 95 pp 5-6

["Exclusive" interview with Albanian President Sali Berisha by Agim Mehmeti; place and date not given: "'Greater Serbia' Has Been Defeated in Bosnia"]

[FBIS Translated Excerpt] [Passage omitted] [Mehmeti] The problem of Kosovo is an integral part of your activities and the activities of Albanian diplomacy. Taking into account the options which could lately be heard in diplomatic circles, what would you call a satisfying solution for the problem of Kosovo?

[Berisha] The problem of Kosovo remains the focus of our engagement in the diplomatic field, but it must be pointed out that that problem surpassed the Albanian-Serbian border a long time ago, and can be said to be a big regional problem, without the solution of which peace can by no means be established in the Balkans.

We insist on the establishment of dialogue between Prishtina and Belgrade, with the presence of the third side; Albania and the Albanian political subjects in Kosovo strongly support the democratic solution and the non-changing of the existing borders by force. In that direction, I am convinced, the international community can give a substantial contribution to the finding of an acceptable solution, which must by no means be less than what the Albanians had before, and what was stolen from them. Of course, there are various options. I believe that the secession and the changing of borders can be realized in case Serbia and other factors are compliant with that act, like, for example, the Czechs and Slovaks complied.

The development of democracy leads to a more complete solution of this problem. In the Balkans there have been several national issues, among which the Albanian and the Serbian national issues are certainly the most emphasized ones. It cannot be denied that Serbs had their national issue. They chose war as the solution for their national issue, but in Dayton they had to sign the end of the platform which has caused the biggest catastrophe Europe has experienced since World War II. If one takes into account that the goals of the aggression were the creation of "Greater Serbia" and the exit to the coast, then it can be seen that both of them have failed, and that Dayton has disregarded them. The forceful changing of borders is the most tragic option which can be chosen today in Europe or anywhere else. So what remains is the democratic way, and that way implies democratic methods of solving problems.

[Mehmeti] But, Mr. President, the reality shows that, the stronger the requests of Albanians for a democratic solution get, the firmer the "embrace" of Serbia becomes, and the bigger the terror and the violance exercised over our people!

[Berisha] I agree completely, but, on the other hand, that is precisely where I can see the role of the international community, the United States and the member countries of the Contact Group. Precisely that is the reason Albania insists that the integration of Serbia in the international community and the lifting of sanctions should be conditioned by the solution of the problem of Kosovo. Regardless of Serbia's situation, its national trend must be democratization, and the four years of "experiments" have shown that they have been tragic not only for the Bosniaks as the victims of the aggression but also for those who have created that tragedy.

In that sense, if the international community does not place Kosovo on the negotiating table and if it does not get seriously engaged, there is no doubt that the next conflict, much bigger than this one which the peninsula has now experienced, will break out in the south of the Balkans, bringing a much bigger potential for spreading and for destabilization.

[Mehmeti] The integration into NATO structures remains the biggest military priority for Albania, and the United States and Turkey still remain the two biggest sources of military help. How much has all that helped the reconstruction of Albania's Army and its promotion into a force which is capable of defending the country effectively?

[Berisha] The reforms in our army were exceptionally necessary, and they are mirrored in transformations, both in the training and in the grouping and reorganization. By all means, we endeavor for the Albanian Army to reach the standards of NATO, with further consolidation and cooperation which is most expressed with the United States, Turkey, and Germany, but we are also open for cooperation with others. You can be convinced that our army is ready and capable of fulfilling its primary tasks which concern the defense of the country.

[Mehmeti] Your firm attitude and your support for the air strikes of NATO forces, intended to stop the terror of the Serbian aggressor in Bosnia, is well known. In that sense, Albania was among the first to offer its airports and ports to NATO forces. In the meantime, there came the Dayton agreement. How do you view the drama of the Bosniaks?

I consider the Dayton agreement to be an historical act, which, in order to be realized, as a prerequisite and a "sine qua non" requires the arrival of NATO troops to Bosnia. I am aware that that agreement has also accepted some accomplished facts, but, on the other hand, insisting on their solution would have been accompanied by a much bigger drama than the one experienced up to now. I believe that the preservation of the united Bosnia, the united Sarajevo, and some other clauses can by no means be seen as rewarding the aggressor, who had much bigger pretensions. Of course, some problems remain, like, for example, ethnic cleansing and some other elements, but in this entire complex, this, I claim, is the historical moment in the sense of the establishment of peace. I believe that with the help of NATO forces it is really possible to implement the Dayton agreement, and to start transforming the drama full of blood of the innocent Bosniak people into a nice future for them.

Albania is ready to offer once more all the services on its territory to the allies, as it has already done, in order for them to be able to carry out the mission of extinguishing the war conflagration in Bosnia, which, if it is not extinguished, can inevitably spread in the entire region.

[Mehmeti] What is the level of the relationships between the states of Bosnia and Albania?

[Berisha] The relationship between Bosnia and Albania is exceptional, with the tendency of further strengthening and spreading in all fields. I am convinced that the plan for reconstruction and revival of the demolished Bosnia will close the wounds created in this horrible war, and that Bosnia will turn into a country of prosperity. Albanians as friends look at the nice future of Bosnia with joy. [passage omitted]

[Mehmeti] The Serbian policy of hegemony has created "ethnic cleansing," through a most horrible genocide recorded in history, and the same has been happening to Albanians, only "in peace and quiet." Is the establishment of a more intense cooperation and mutual help for the victims logical?

[Berisha] It is true that those who suffer can understand each other much better, and that is why cooperation in all fields is quite natural and logical. However, when it comes to cooperation, Albanians and Bosniaks should not follow exceptions but think of various forms of developing cooperation in various aspects.

Following the idea of "Greater Serbia," Belgrade provoked a huge tragedy in Bosnia and among Bosniaks, with no equivalent, and they also exercise horrible pressure on the Albanian people in Kosovo. But in this moment Belgrade has been forced to change its attitude. The independence of Bosnia and the reestablishment of human and national rights and freedoms are not only in the interest of Bosniaks and Albanians, but also of Serbia itself. In any case, the cooperation between Bosniaks and Albanians has great perspectives....

[Mehmeti] Do you know President Alija Izetbegovic personally?

[Berisha] I know him personally and I feel a very great respect for him. I highly appreciate his role and his contribution, his reason, maturity, and tolerance which have been confirmed in one of the hardest periods the Bosniak people and his state have experienced. I am convinced that what has been achieved in Dayton has in a great deal been the result of the wisdom and decisiveness of the Bosnian president.

Recommends 'Democratic Road'

AU1712140495 Zurich BOTA SOT in Albanian 7 Dec 95 p 2

[Reprint of excerpt of interview with Albanian President Sali Berisha by the Skopje newspaper HENA E RE (NEW MOON); place and date not given: "The Change of Borders Through Violence Is the Most Tragic Option"]

[FBIS Translated Text] The Kosova problem is and will undoubtedly remain at the center of our diplomatic efforts. In fact, this issue is not only an Albanian-Serbian problem, but also an immense regional problem. In our opinion, peace and stability in the Balkans cannot be reestablished without a solution to this problem. What we have proposed and insist on is establishing a dialogue between Prishtina and Belgrade in the presence of a third party. Proceeding from the principles of not changing the borders through violence, of which Albania strongly remains loyal, and of a democratic solution, to which the Kosovar Albanians' political leadership strongly abides by, I think that the international community can render a substantial contribution to reaching an acceptable solution, which in no case can be less than what the Albanians possessed and that was forcefully abrogated from them. Of course, there exist various options. I think that to conceive secession and a change of borders can be realized if Serbia and the other parties would agree to such an act, as the Czechs and Slovaks did. There is no doubt that the development and consolidation of democracy will lead to a more complete solution to this problem. Several national issues have existed in the Balkans, but the Albanian national issue and the Serbian national issue have been among the most major ones. It cannot be denied that the Serbs have also had a national issue; this is a fact. They decided to resolve their national issue through war, but now in Dayton they signed the end of a platform that inflicted on the region the greatest damage that Europe has known since World War II. If we consider that there were two segments to the aggression—the creation of Greater Serbia and the exit to the sea—you will see that both failed, and the Dayton agreement did not consider them. With this, I want to stress that changing the borders by force is the most tragic option that could be chosen and followed today in Europe and everywhere. Thus, the democratic road is to the left, and this implies democratic means. Albania insists that Serbia's integration into the international community and the abolition of sanctions be conditioned with a solution to the Kosova problem. Regardless of the situation Serbia may face today, the national trend and the current tendency should be the development of democracy. The experiment and the experience of the past three years proved to be very tragic, and not just for the Bosnians. It was also very tragic for those who created this tragedy. In this sense, if the international community does not place Kosova on the negotiating table and does not commit itself with the greatest seriousness, there is no doubt that a future conflict, very much greater and broader than that the peninsula has experienced so far, will explode in the Balkans. This conflict may also have a great potential of distribution and destabilization.

I consider relations with Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] to be very important. Albania is determined to work on further developing and advancing these relations since a considerable number of Albanians live there and play a significant part in the economic life of this neighbor country. However, they should play a more important role in the political and public life. I am convinced that through a dialogue between the Albanian political leaders and the Macedonian authorities, as well as through cooperation, the situation of Albanians will increasingly improve in a progressive way. I am convinced that the relations between Albania and Macedonia will develop. I have condemned the assassination attempt on President Gligorov and have assessed it to be a terrorist and barbarous act. Personally, I think that with his policy, President Gligorov has rendered an undeniable contribution to avoiding the conflict south of the Balkans, consolidating the independence of Macedonia, and boosting its cooperation with the neighboring countries, including Albania. I wish President Gligorov a speedy recovery so that he may resume his duties as soon as possible.

Rightist League Warns of 'New Bloodshed'

AU1812091695 Tirana GAZETA SHQIPTARE in Albanian 15 Dec 95 p 3

[Unattributed report: "Kosova Under UN Rule"]

[FBIS Translated Text] Tirana—The Rightist League is worried about Kosova. "It must be an independent entity under UN jurisdiction," was the message of a statement approved at a meeting of the League yesterday. Politicians from the Albanian right also expressed their reservations over what they called a lack of clear government strategy over the Albanians' most sensitive national issue. This analysis has emerged as part of the turnaround that has taken place in the strife-torn region of the Balkans following the Dayton accord among the three leaders of the forces that had stained martyred Bosnia with blood. According to the League, at this moment, when the international diplomats believe that they have solved the problem of the war in Bosnia, the international community must think seriously about Kosova, if new bloodshed is to be averted. The Kosova problem is at the center of the attention of the Albanian political parties and the parties associated in the Rightist League have been among the most active in this respect. Republican Party Chairman Sabri Godo some time ago expressed his reservations over what he called the "lack of continuity in Ibrahim Rugova's policy." Only a few days ago, some signs of hope came from across the Atlantic that the greatest world power, the United States, would support the cause of the Albanians living on their own territories in the former Yugoslavia. The meeting between Rugova and Secretary of State Warren Christopher left room for hope that the United States would soon intervene or would at least place Kosova on the list of issues requiring the fastest possible solution in the Balkans, in this complicated tangle produced by ancient and modern history.

Second Issue of Privatization Bonds To Begin

AU1912114095 Tirana KOHA JONE in Albanian 15 Dec 95 p 11

[Report by Milto Baka: "Distribution of Second Tranche of Privatization Bonds Begins—To 1,200,000 Citizens by End of January"]

[FBIS Translated Text] The Savings Bank, while continuing to distribute the first tranche of privatization bonds, from which 500,000 citizens are expected to benefit, is about to start distributing the second tranche that will bring the total of recipients to 1,200,000. Lists of enterprises and institutions have been prepared, alongside lists of individual pensioners. "Beginning tomorrow," says Mr. Nikolin Marena, head of the privatization bonds department at the Savings Bank, "we will begin with the group of the unemployed and then proceed with people who have not so far received bonds." The operation will begin in Kavaje and will then be extended nationwide at a speed three times faster because the rate of privatization has accelerated. Specialists are aiming to create a stable balance between supply and demand. Asked what he would single out for either favorable comment or criticism from his experience in distributing privatization bonds so far, Mr. Marena replied, "I would like to stress the maximum dedication of the Savings Bank staff in confronting this overload, in contrast to the disturbing lack of the proper dedication on the part of enterprise managers, institutions, and even ministries, which has led to the failure to distribute bonds on time to the unemployed and those on welfare." The Savings Bank aims to issue bonds to about 700,000 people before the end of January. Specialists think that so far not even 30 percent of the distributed bonds have been used for their intended purpose. As a result, demand has not outstripped supply, and, when it comes to choosing stockholding companies with the bonds, everything depends on the financial nose of their owners. As the second tranche is distributed, it is thought that the number of stockholders will increase in those privatized enterprises in which promises of accountability packages may boost the value of the bonds. Mr. Marena says, "For me, there has been no delay is distributing bonds, and work has proceeded briskly. We are therefore sure of distributing bonds to 700,000 people before the end of January 1996." The preparations show that the procedure will run smoothly, and the Savings Bank guarantees this at all its branches.

Removal of Trade Barriers in Balkans Urged

AU1812190495 Sofia KONTINENT in Bulgarian 13 Dec 95 p 6

[Commentary by Plamen Kulinski: "Business Knows Its Own Job"]

[FBIS Translated Text] The new situation following the removal of the Yugoslav embargo has also made it necessary to establish a new order in interstate trade relations. We accept that the signing of the trade accord between Belgrade and Sofia marked the start of this process. However, to provide a proper legal foundation, we must now sign a whole package of further documents on topics ranging from the avoidance of double taxation to mutual protection of investments. The sooner this happens, the greater will be the chances of breaking down the barriers that hinder normal trade, for example, the $1,700 fees for transit cargo shipments.

Incidentally, according to an old Balkan tradition, barriers are raised by all the countries in the region, and they obstruct the transformation of the Balkans into a liberal trade zone in which the rules of the game are completely open. When one considers that the population of the region is almost as large as that of West Europe and that the market is far from as saturated as the West European one, one might have reason to wonder why we have to set our sights so far ahead, instead of seeing what is directly in front of us.

Accordingly, what we need now is the opposite of confrontation, and if the politicians cannot help, let them at least not hinder the businessmen, because they know their jobs.

SDS Head Regrets Gaydar Loss in Duma Election

AU1912141895 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 19 Dec 95

[FBIS Translated Text] We regret that Yegor Gaydar's party—Russia's Choice—will not be represented in the new Russian parliament, Ivan Kostov, Union of Democratic Forces [SDS] chairman, said on 19 December after the meeting of the SDS National Executive Council.

This party is the champion of the Russian economic reform and served as its driving force. The negative consequences of the fact that it led the reform apparently influenced the election results, Mr. Kostov said. The SDS views with concern the growing influence of the Russian Communists, and their increased representation in the Duma.

Possible Unification of Turkish Parties Viewed

AU1812184795 Sofia DEMOKRATSIYA in Bulgarian 14 Dec 95 p 3

[Commentary by Fikrie Salifova: "BSP United Muslim Parties"]

[FBIS Translated Text] People who split off from the DPS [Rights and Freedoms Movement] and formed other organizations like the Turkish Democratic Party [TDP], the Party of Democratic Changes [PDP], and the Union of Turks have issued a declaration proposing that the parties with predominantly Turkish electorates should take steps to draw closer together and possibly unite. Ibrahim Ali, the former PDP leader in Asenovgrad and one of the originators of this idea, considers that the way the BSP [Bulgarian Socialist Party] behaved in Kurdzhali has shown that the Turks should be united and ensure that not one of their votes goes to the Communists [Socialists] in the next elections. The initiators of the unification idea call upon the DPS, PDP, Nedim Gendzhev's DPS [Democratic Party of Justice], and Adem Kenan's TDP organization to sit down at the negotiating table as soon as possible. According to Dogan's erstwhile opponents, the formation of such a new organization, on a democratic basis and with internal pluralism, will benefit democracy in the country. In cooperation with the SDS [Union of Democratic Forces] and People's Union, it might achieve success in the fight against encroaching communism and might shorten our road to the European structures and NATO.

The proposal saw the light of day one month after the mayoral election in Kurdzhali and a day after the Nationwide Committee for Defense of National Interests announced that it would apply for the DPS to be banned. Political observers comment that the former Communists are continuing to work to consolidate those who formerly voted for the DPS. The BSP's behavior during the Kurdzhali elections was extraordinary, when it even censured Nedim Gendzhev, although the local organization of the Democratic Party of Justice supported the red candidate. As for the local PDP, even in the first ballot it stood behind the DPS candidate. All the so-called Turkish parties hold similar positions on one and the same problem. Perhaps their leaders will find it impossible to sit down at the same table, but their identical position on burning issues of the day acts as a signal to their supporters to unite.

It still has to emerge whether the unification idea arose from the situation in Kurdzhali or for some other reason. The DPS has stated its willingness to accept its separatists back into its ranks, but the idea of forming a new coalition or organization has not been discussed in DPS circles.

Kurdzhali Mayor Claims To Be Fulfilling Duties

AU1812190395 Sofia PRAVA I SVOBODI in Bulgarian 8 Dec 95 No 28 pp 1, 3

[Interview with Rasim Musa, mayor of Kurdzhali Municipality, by unidentified PRAVA I SVOBODI representative; place and date not given: "Although I Have No Team or Advisers, I Am Fulfilling My Duties"]

[FBIS Translated Text] [PRAVA I SVOBODI] Mr. Musa, I will ask you the same question that the European ambassadors asked you during your meeting: Who is governing Kurdzhali at the moment?

[Musa] Kurdzhali is being governed by its elected mayor, which is me, contrary to what the newspapers say. However, I declare yet again that under the law there are a number of very important powers that can only be granted by the municipal council at its first meeting, such as the disposal and management of municipal property, the updating of the municipal budget, and the preparation of next year's budget. In this sense, I believe that the failure to convene the municipal council stops me from fully carrying out my duties.

[PRAVA I SVOBODI] So in fact, your powers have been weakened. What are you dealing with at the moment?

[Musa] Although I have no team nor any advisers, I am trying to fulfill my duties. It is a difficult task, because the municipality is large and has many problems. For example, one of the most serious of these is the irregular arrival of subsidies from the republican budget. Some social benefits have not been paid for two or three months. The sums amount to about 6 million leva, and every day I receive delegations of socially disadvantaged people who, having waited some time outside the Social Welfare Department, come and stand outside my door. In the very near future, I expect that the teachers and health workers will mount protest actions. With an experienced team, I can try to resolve these issues. To patch the situation up until the end of the year, in the light of the present situation we will probably have to review the problems connected with municipal property and the municipality's own revenues.

I hope that the new team and I will work well together. In general, there is a lot of work to do, so the municipal council has to start functioning as soon as possible. This is the problem.

[PRAVA I SVOBODI] Leaving aside the difficulties that you have described, what is your impression of the feelings of the people in Kurdzhali? How does the "ethnic tension" that the media talk so much about reveal itself?

[Musa] I can say that the situation is calm in Kurdzhali. The people who appealed against the election results and who stirred up the events between the first and second rounds were mainly BSP [Bulgarian Socialist Party] leaders, people from outside the municipality, and emissaries from Sofia sent to carry out a certain task. They had no connection with the town, but stirred up a certain amount of social tension, maybe even ethnic tension, but I am glad to say, and I am in fact convinced of this, that the situation could not develop into ethnic confrontation. I have the feeling that even the BSP supporters are disappointed that a party that is regarded as a major force and which is trying to govern Bulgaria is quite tendentiously and deliberately procrastinating on an issue on which the electors have already issued their verdict. The voters have elected their councillors and their mayors, so now their elected representatives have to be given the opportunity to start working to the full extent of their powers as soon as possible.

Commentary on Peacekeeping 'Missed Opportunities'

AU1912123295 Bratislava SME in Slovak 18 Dec 95 p 4

[Commentary by Ondrej Dostal: "Missed Opportunities in the Balkans"]

[FBIS Translated Text] It rarely happens that a central European country's path to NATO leads through the Balkans. The Slovak Government decided last week that the Slovak Republic will dispatch a military unit to the peacekeeping forces in eastern Slavonia. The outcome could have been much worse. Slovakia could have withdrawn altogether from this crisis region, and thus indicated that it is not interested in playing an active role in safeguarding peace and security in Europe. Another alternative was, however, possible — Slovak troops could also have been deployed directly in Bosnia. The difference between our unit's engagement in Bosnia or Slavonia may only seem purely technical, but the choice was in fact a crucial one. The Slovak unit will operate in Slavonia — as it has done so far — under the mandate and command of the United Nations. The costs incurred will be repaid to Slovakia by the United Nations, and the nature of the risk involved in the whole operation will also be smaller. That is, the UN peacekeeping forces are assigned rather to supervise the cease-fire than to keep the peace.

This is a role for a contingent under the aegis of IFOR [Implementation Force], which will operate in Bosnia under NATO command. This option would have been more demanding for Slovakia, the risk of casualties would have been greater, and no one would have reimbursed our costs. Moreover, dispatching troops under NATO command necessitates a far more unequivocal political stance than dispatching them to the UN's "broad-spectrum" peacekeeping forces. So the government has gone for a less painful solution. Buck passing in such issues, however, does not pay off. We have missed an opportunity to convince the North Atlantic Alliance of the firmness of our resolve to incorporate ourselves into it, and of our willingness to bear all of the consequences of this decision. And, we have also missed a fitting opportunity to prepare our citizens for the fact that NATO is not an umbrella that will unfurl itself over us without any effort on our part. No one is going to bring us security for our country or membership in NATO on a gold platter. We will have to earn them and also make some sacrifices for them.

Deputy Premier Addresses Parliament on Budget

AU1612161295 Bratislava SLOVENSKA REPUBLIKA in Slovak 13 Dec 95 p 5

["Substantial" excerpt of speech by Slovak Deputy Prime Minister Sergej Kozlik to the National Council on 11 December: "Favorable Development Through the Third Quarter"]

[FBIS Translated Text] At the 12th session of the National Council of the Slovak Republic, Deputy Prime Minister Sergej Kozlik presented a report on fulfilling the budget of the Slovak Republic. Favorable elements were observed in the development in the third quarter, be it the development in the principal macroeconomic indicators, state budget management, or favorable development in the trade balance of the Slovak Republic. We carry a substantial part of the speech.

Industrial Growth Accelerated

The recovery of the Slovak economy demonstrated itself after a decline of several years in an overt growth of the GDP. The GDP increase of 6.1 percent in permanent prices, which we achieved in the first half, is expected again at the end of September — in the meantime, some figures for the third quarter are known. The GDP growth amounted to 7.4 percent and the GDP growth cumulatively for the three quarters amounted to 6.5 percent [as published]. The good news here is that the development with respect to individual sectors is better balanced than in 1994. The entire period of the past nine months of this year was marked by intensive growth of production and services. The growth of industrial production also accelerated, the recovery continued in construction, and the services sphere showed a favorable trend.

The Rate of Unemployment Dropped

The average rate of inflation for the period up to 30 September 1995 reached 10.7 percent in comparison with the same period of 1994. At the end of August, there were 338,843 unemployed people registered at the labor offices in the Slovak Republic for a rate of unemployment of 13.3 percent. This means that the rate of unemployment declined by 1.28 points in comparison with August 1994. A favorable results were also recorded in Slovak foreign trade and that to the amount of 372 million korunas [Sk], while the overallbalance of trade of the Slovak Republic showed a surplus with exports exceeding the value of imports by Sk2.9 billion. A surplus of Sk7.5 billion was recorded also in trade with EU states.

Management Deficit

The results of the Slovak Republic budget management in this period are characterized by a continuing budget deficit in the amount of Sk2.9 billion. This budget deficit includes the expenditures resulting from the settlement of the clearing account with the Czech Republic in the amount of Sk1.9 billion. Upon the termination of the payment agreement with the Czech Republic that was canceled by the Czech Republic as of 30 September 1995, the Czech Republic will be paying off the outstanding debt of ECU130 million to the Slovak Republic. This problem is being settled by means of a new payment agreement between the Czech and the Slovak Republics. Total revenues of the state budget reached Sk114.35 billion on 30 September 1995, which is 78.1 percent of the annual budget.

Checking for Undeclared Income

The audits carried out indicate that we are not dealing with far- reaching tax evasion but rather that the revenues yielded by this tax (as stipulated in the 1995 state budget) were exaggerated, and the measures imposed — be it duty stamping cigarettes or sealing alcoholic beverages — did not result in such an increase in revenues as expected. Hence, the expected drop in comparison with the budget plan in this sphere amounts to some Sk4 billion. The Finance Ministry through the internal revenue offices conducted an audit of the tax payers in the second and the third quarter with the objective of discovering undeclared income, unregistered business operation, and verifying the legitimacy of the deduction of value added tax. They managed to collect Sk3.1 billion by 31 August 1995, applying the legally defined forms of tax payment. Non-tax revenues reached Sk14.8 billion on 30 September, which is 89 percent of the annual budget.

Reserves Exist in Social Compensation

If we are to mention the social sphere spending, the total including social security payments amounted to Sk14.6 billion, which corresponds to 83 percent of the annual budget. The 1995 planned investment spending was set at Sk11.4 billion, and Sk8.7 billion was spent by 30 September, which is 76 percent of the planned annual volume. Regarding the investment subsidies to autonomous local administrations, they reached Sk237 billion by 30 September 1995, and represent 77 percent of the annual budget.

Good Standard in Economic Development

Based on an analysis of the economic results, it can be concluded that the development in this sphere over the first nine months of 1995 was favorable. The volume of budget revenues was higher that expected at the time of drafting the 1995 budget, while the expenditures correspond to the budgeted level and the measures for reaching the set spending for 1995.

Economic Turnaround in 1998 Predicted

96CH0005A Bratislava HOSPODARSKE NOVINY in Slovak 5 Oct 95 p 8

[Article by Adam Lasciak, Bratislava Economic University: "Drop in 1995—Turnaround in 1998?"]

[FBIS Translated Text] Beginning in 1994, the Slovak economy found itself on the trajectory of a boom cycle. In 1994, economic growth, measured on the basis of the gross domestic product, was 4.8 percent in constant prices and 17.1 percent in current prices. For the period 1994-98, the forecast of the average growth for the GDP in constant prices is between 7.7 percent and 8.2 percent (for 1995, the range is between 6 percent and 7 percent); in current prices the span would be between 14.6 percent and 15 percent. The decline in the growth of the GDP in current prices from 17.1 percent in 1994 to a span of 14.6 percent to 15 percent for the forecast period will result in lowering the rate of inflation from 13 percent in 1994 to 7.7 percent in 1998. The high pace of growth of the GDP in constant prices, within the range of 7.7 percent to 8.2 percent, is influenced, on one hand, by the effects of multipliers (exports, investments, and partially also consumption), the effects of the competitive nature of foreign markets, and by a moderate growth in labor productivity. On the other hand, the above growth rate for the GDP is influenced by changes in statistical methods, changes in registers, changes in the classification of the organizational composition of the economy, and mainly changes brought about by the gradual completion of creditable components contained in the ESA [expansion not given] method, which were not handled in the past (in quarterly listings) and, as a consequence, the model results in the ESA and ESA-1 models tend to be exaggerated. Corrections will not be possible until macroindicator components in chronological listings are completed to take the past into account.

In 1995, the price level tripled in comparison with the year 1989 and wage levels doubled. In 1998, the price level will be 4.3 to 3.8 times greater, and the wage level will be 2.7 times greater, which indicates a certain deterioration of the ratio of development involving the price and wage level. This will result in increased tension regarding the tripartite relationship.

Until 1995, real final consumption on the part of the population was declining (both in real terms and also relatively) in constant prices, as were real incomes (which are estimated on the basis of a model, in view of the fact that statistics follow the indicator of household incomes, which also include the results of household entrepreneurial activities).

We Continue To Live on Substance

Investments in current prices are growing, while those in constant prices are stagnating (in 1994-96, they will undergo a negligible increase, and, as of 1997-98, they will be declining). This indicator, in view of its new content, does not have the same kind of function to which we have become accustomed. Therefore, a more suitable indicator is the development of increment creation with regard to fixed capital. (But even the relative numbers dealing with the creation of fixed capital for the GDP will decline to 22.8 percent in 1998 from a level of 25.4 percent in 1994.) The volume of write-offs (from the acquisition value of the basic wealth) and the volume of profits in enterprises will not be able, by 1997, to cover the value of gross investments. A turnaround likely will not occur until 1998. The volume of profits and write-offs is used to partially provide wages; write-offs also contribute to money in circulation. It is a curiosity of our economy that in unprofitable enterprises average wages are growing more rapidly than in profitable enterprises, where the wage level has become stabilized. If we multiply the volume of write-offs (from the acquisition value) by the index of construction work, then we come to a value for 1994 of 102 billion Slovak korunas [Sk] and, in 1998, Sk182.5 billion (so-called accounting write-offs) using the model solution. This fact indicates that we also continue to be determined to live on our substance.

Final consumption on the part of the state administration will grow moderately in the sense of the Wagner Law (in constant and current prices), but this is relatively a matter of a stable magnitude in comparison with the development of the GDP and the GDP 84 figures.

The foreign trade balance, given various variations of imports and exports (including services), has a tendency to be on the deficit side as early as 1997 (in other words, as of 1997, the surplus will gradually be tending toward zero and even become a deficit). This development is given by various circumstances: On one hand, the growth of imports and services from 66.6 percent of the GDP in 1994 will most likely reach 69 percent of the GDP in 1998, and, at the same time, the development of exports and services will decline from 72.5 percent in 1994 to a likely level of 70 percent. This change will be brought about by the expansive government policy as a consequence of increasing imports of installations and technologies, raw materials, and energy, and the import of some foodstuffs. (We again remind readers that the construction activity component contains one-third of the total consumption of imported energy.) To cover the claims for imported energy from Russia, our export activities must be realized through other commercial principles than those that have been used hitherto, and we must learn from the experiences of Bata.

The "Advantages" of Cheap Labor

The decline in the effects of the comparative advantages (based on inexpensive labor costs) is gradually beginning to take hold, but mostly as a result of the fact that the index of import prices is growing more rapidly than the index of export prices. Consequently, the "terms of trade" for the U.S. dollar in 1994 amounted to Sk37.1 and will likely be Sk42 in 1998, given the nominal rate of exchange of the U.S. dollar of Sk31.8 in 1994 and the rationally anticipated rate of exchange of the U.S. dollar of Sk32.3 in 1998. If, by using the model, we calculate the value of the U.S. dollar that it had following our last devaluation, then we find its value to be Sk20; in 1994, it was already Sk21.2, and it is reasonable to anticipate that in 1998 it will be Sk34.3—which means that for the year 1996-97 the parity of the nominal and real rate of exchange for the U.S. dollar will be balanced. Imports and exports will gradually be influenced by the liberalization of restrictive import measures and goals (which cannot be left untouched in view of the integration with the European Union). The values of multipliers are reacting to these changing conditions in foreign trade and are shifting from a value of 1.726 (in 1994) to a value of 1.572 (in 1998).

Revenues for the state budget and insurance claims in 1994 amounted to 53.2 percent of the GDP; in 1998, they will remain at the same level. The tax burden and the burden based on social and health insurance will be near to the maximum point on the Laffer curve, which is to say, at a level of approximately 46 to 50 percent. Anticipating an expressly proinvestment policy with a rapid return on investments, it is possible that the deficit in the state budget can be held to something under 5 percent of the GDP. An expansionist policy can also be supported by a differentiated tax rate on profits, accompanied by the creation of fixed capital and by development of employment (tax credits). Overall state budget revenues correlate with the volume of wages and disposable income in the hands of the population, which it would be possible to connect with the maximum point on the Laffer curve, in view of the share of taxes and fees based on the GDP.

Given the more rapid acceleration of the volume of profits in the enterprise sphere (in 1994, Sk35 billion, and rising to a level of Sk116.6 billion in 1998) accompanied by a slower growth in the volume of interest rates (also including dividends and rents), which amounted to Sk82.5 billion in 1994 and are expected to grow to a level of Sk107.5 billion, and in anticipation of a reduction in interest rates for new loans from 19.4 percent in 1994 to 14.19 percent in 1998, it will gradually be possible to eliminate the insolvency of enterprises, which is running at a rate of Sk120-160 billion. The total status of savings (1994: Sk238.5 billion; 1998: Sk440.9 billion, with an increment of Sk44.4 billion at the beginning and an increase of Sk38.2 billion at the end of the forecast period) is in accord with the model solution. The volume of credits in 1994 must be compared with the volume of insolvency.

Growth of the Underground Economy

According to the model solutions, money in circulation can be increased annually by Sk2.2 billion (in 1996, by Sk2.5 billion). The velocity of the M1 indicator will be rising from *3,2391 in 1994 to *3,5795 in 1998. The velocity of M2 will be declining moderately from 1,495 in 1994 to 1,471 in 1998. According to estimates, one-fourth of the monetary expansion will be devoted to the growth of the real GDP; one-third will be directed at prices; and five-twelfths will be channeled to covering credits, banking operations, government debt, and to finance privatization. The covert cartel organization of the banking system as well as in some branches of the economy continues. The unidentifiable development and growth of the underground economy is continuing.

The ratio between the development of the GDP and wages and the ratio between average productivity and marginal productivity is not experiencing an unequivocal development, although the volume of profits and credits in the forecast period will grow at various rates.

The formation of fixed capital will grow from a volume of Sk1.426 billion to a level of Sk1.738 billion (in the value of acquisition prices rather than in terms of reproduction prices).

It is possible to anticipate a favorable economic development during the period subject to the forecasting, albeit with certain problems, which are multiplying in terms of foreign trade. This bears some contemplation and should lead to the formation of new economic strategies.

Possible Exodus From Serb-Occupied Sarajevo Seen

AU1512154595 Budapest NEPSZABADSAG in Hungarian 15 Dec 95 p 3

[Editorial by Endre Aczel: "The Dot"]

[FBIS Translated Text] The Bosnia agreement that emerged in Dayton and was signed in Paris yesterday stipulated the transfer of territories in two important areas for the agreeing sides. According to this, the Croats have to hand over two towns in western Bosnia to the Serbs and the Serbs have to place the outskirts of Sarajevo inhabited by Serbs under the jurisdiction of the Muslim-Croatian Federation.

However, there is a huge difference between these two. The Serbs will be receiving ghost towns, destroyed, burnt, and ransacked towns. This is the cordial "farewell present" of the departing Croatian Army. On the other hand, Ilidza, Vogosca, and the other Sarajevo districts inhabited by Serbs are crowded places and there is water, natural gas, and electricity there, as well as a lot of unhappy people, namely, 100,000 Serbs living in one community, people who, according to the Dayton decision, will have to come under Muslim authority.

Obviously, given the atmosphere prevailing among the ethnic groups that used to live together, the Dayton decision to "hold Sarajevo together" was the most bitter decision from the Serbs' point of view, but the United States and its allies stubbornly stuck to this decision.

Admitting that things look different from the skies (on the level of principles) than down on the field (in practice), it is worth pondering about the considerations that must have led the great powers to this decision. First, they wanted to avoid the creation of a new Beirut or Jerusalem, where there is no passage between ethnic groups or religions; in other words, people live side by side, but there is no coexistence. (Besides, both ethnically and linguistically, the Bosnian Muslims have the same roots as the Bosnian Serbs, it has been claimed.) Second, the great powers had a spiritual goal in mind to restore the "mixed" Sarajevo that prevailed before the war. Third, it is a fact that 60,000 "cosmopolitan" and mostly intellectual Serbs did not go over to their own kin; instead, they remained in the Muslim districts under siege, accepted the sufferings, and preserved the best traditions of coexistence. So, there has always been a "third way."

However, these nice principles are almost devoid of any response in the five Serb districts of Sarajevo, in the "blocks of flats." Some 100,000 Serbs are trembling with fear and are ready to flee. Neither Clinton nor Izetbegovic is capable of convincing them that, once it takes them under its jurisdiction, the Muslim government will not wreak a bloody revenge for the three and a half years when the population of Sarajevo suffered hunger, cold, and want, and kept running from snipers and Serb guns like rabbits, while people (that is the Serbs) were moving about whistling in Ilidza and who knows how many men of military age were busy in Mladic's army committing crimes against Muslims.

As we have repeatedly written in these columns, the ongoing "scenario" of the war years was that, whenever foreign soldiers appeared, or rumors came of their imminent appearance, the population started immediately to flee, men, women, old people, children, everybody. This should now change radically. A new trust should emerge, namely, that a "foreign uniform" does not necessarily represent a murderer. The most dangerous ethnocentricity, one that the signing politicians themselves kept spreading violently, should end now.

However, it seems that Sarajevo will become mostly "Serb-free" now. The dismantling of entire factories and industrial facilities is currently under way or has already been completed and people are keen to get rid of their real estate or property that can be transported even with difficulty. In their hysterical condition today, they fear nothing more than Islamic rule over them, no matter how secular the government in Sarajevo will be. The circle is completed with this "self-cleansing." Dayton will put the crown on the entire historical work of ethnic separation.

UDMR, Council of Europe Delegation Hold Talks

LD1812222795 Budapest Kossuth Radio Network in Hungarian 2100 GMT 18 Dec 95

[FBIS Translated Text] A Council of Europe delegation has again arrived in Romania to assess and report on how Romania meets its obligations undertaken when admitted to the Council of Europe. Tibor Bogdan reports from Bucharest.

[Bogdan] This afternoon in Bucharest, three Council of Europe report-writers met the leaders of the Democratic Union of Hungarians in Romania [UDMR]. The UDMR leaders handed a document with more than 50 pages to the delegation.

The document refers to the lack of a minority law, the education law which restricts education in minority languages, the local government bill which is not in line with European documents, the situation of innocent ethnic Hungarians sentenced for imprisonment, and an order which restricts the relay of Duna television programs.

Immediately after the talks, UDMR Chairman Bela Marko told me that they had informed the delegation that following Romania's admission to the Council of Europe, there has been a deterioration in the provision of minority rights.

Bela Marko considers these kinds of meetings with representatives of international forums important, for an image and an assessment of a country is usually formed as a result of these meetings. He also said that the delegation members are well aware of Romania's problems and its situation.

Bokros Discusses Budget, Interest Coordination

AU1912123395 Budapest NEPSZABADSAG in Hungarian 15 Dec 95 pp 1, 12

[Interview with Finance Minister Lajos Bokros by Katalin Bossanyi; place and date not given: "Slow Progress Is the Price of Allowances—I Am Not a Magician, Bokros Says"]

[FBIS Translated Text] If no agreement is reached with the trade unions, then the compromises and allowances the government made are not necessarily valid. This is not blackmail or a threat; the reason is that these allowances slow down stabilization and progress. If we do not create social peace through the agreement then there is no reason to take this burden on ourselves, Finance Minister Lajos Bokros said. He can still see a chance for the price-wage agreement and claims that 1996 will be a turning point. If the reform of the welfare distribution systems is not started then the state of the economy cannot significantly improve, either.

[Bossanyi] Do you have an agreement in the Interest Coordination Council of Budgetary Institutions [KIET], or are the talks on the price-wage agreement being delayed in the Interest Coordination Council [ET]? I am asking this because contradictory information has been reported on your talks with both forums. In addition, the teachers have announced a strike.

[Bokros] These are two different levels of talks. The government participates in the KIET as an employer and we originally managed to reach an agreement here. The trade unions correctly indicated that this still had to be approved at their elected forums. In my view, it is only a play on the words that this now is an "acknowledgment." They signed the document and this means that they accepted it. With its 19.5-percent wage offer, the government went to the final limit of compromise. In fact, in addition to the government, the National Assembly also placed its confidence in interest coordination.

The National Assembly accepted the tax table, on which we had previously agreed with the trade unions, and the two times 15 billion forints [Ft] regrouping to cover the wages of public employees. This is an important compromise and will in itself somewhat slow down the stabilization program next year. As parliament has already accepted the guidelines for the budget chapters, if certain trade unions wished to squeeze out more central funds then this could only be reached through further regrouping within the budget chapter.

[Bossanyi] Does this mean that, for example, the teachers can only get higher wages at the expense of less loud public employee groups?

[Bokros] Think about if social solidarity really prevails in a situation like this. It obviously does not, because the groups which have the strongest ability to assert their interests—for example, railway workers, employees of the energy sector, or the teachers—may force a higher wage increase for themselves and make the weaker public employee groups pay for this or, with pushing inflation up, the whole society also pays for it.

Fewer Teachers Can Get Higher Salary

[Bossanyi] The teachers mostly dispute that the government's offer is only in two stages; it guarantees a 10 plus 2-percent wage increase, the rest should be made up from staff reductions. They argue that the government wants to force them into an antisolidarity attitude, so that the 19.5-percent differentiated wage increase, which corresponds to the national economy's average, can be implemented at the expense of dismissing their colleagues.

[Bokros] The government has never claimed that quick reforms, including staff reductions, are not needed in the teachers' society. We did not say, either, that the increase of the wage table covers the full 19.5 percent. It would cost more than Ft70 billion if we wanted to pay for the 19.5-percent wage increase for the full staff, without dismissals. The budget has no resources for this and did not have it in the past, either. It is a "blow below the belt" to claim that the government has gone back on its word.

[Bossanyi] However, the prime minister has guaranteed the 19.5 percent.

[Bokros] The prime minister guaranteed the same as what I had done at the previous talks. Namely, public employees will receive the 19.5-percent average gross wage increase. However, in addition to the wage table, this is also guaranteed by the drawn-out effects and savings from staff reductions. This is clearly included in the government communique. I myself asked the prime minister to receive Mrs. Szollosi [head of teachers' union] and to make it clear that this indeed is our final offer.

[Bossanyi] Does this mean that you are not giving in to the pressure of the strike?

[Bokros] It does because we have nothing to give from. In fact, if no agreement is reached then we will not necessarily consider our current offer valid, either.

[Bossanyi] This sounds like blackmail.

[Bokros] It only makes sense to take on the extra burden if this brings social peace. A slower economic growth next year is the price of the current allowances.

[Bossanyi] But you have already made a major concession in a previous ET agreement. The starting point was a 4-percent real wage decrease in 1996 and you, with an unexpected move, halved this. Does the budget have so much reserve?

[Bokros] The government decided that we had to go to the final limit of the economic room for maneuver to win over the social partners' support for continuing the economic policy. This is the reason this concession was given. However, we do not have more possibilities and the major trade union groups have recognized this. We have nowhere to back off from here. If we yielded more, then all the sacrifices society has so far endured because of the painful stabilization measures would become pointless. This would be a completely unreasonable and unprincipled attitude to which neither I, nor the government, nor the two coalition parties would give their name.

[Bossanyi] Can you then see any chance for the price-wage agreement? In fact, is it in your interest to reach an agreement?

[Bokros] I can still see a serious chance for an agreement at both forums because I hope that sober thinking will prevail over prestige considerations. The social partners recognize that the interests they represent are best defended through this self-restriction. This way we can guarantee that the reduction of real wages will not exceed 2 percent in 1996.

"I Am Not a Magician"

[Bossanyi] Is this order of bargaining not backwards? The National Assembly has already decided on almost everything.

[Bokros] I categorically emphasize that this current bargaining process also clearly indicates that the relationship between the government, interest coordination, and parliament is not settled. The ET actually limits parliament's room for maneuver, although parliament is the embodiment of people's sovereignty. This paradoxical situation can only be resolved by a law on interest coordination.

[Bossanyi] We have so far paid for stabilization with the extra price of inflation. It seems that the government actually wanted to reduce the value of earnings through inflation.

[Bokros] The inflationary pressure in 1995 was included in the economic processes. We certainly did not intentionally push inflation. It was precisely the lack of effective demand that limited inflation. If the economy had had excessive amount of cash without cover then inflation would even have exceeded 30 percent.

[Bossanyi] After this, is it doubtful that you can guarantee an inflation of about 20 percent next year?

[Bokros] I can guarantee it if we have a price-wage agreement.

[Bossanyi] Your March package also included a promise of radical tax and contribution reform which was to provide a more just general sharing of burdens and the limitation of income concentration. Compared to this, the 1996 tax system is a step back. How do you explain this?

[Bokros] I am not a magician: I cannot allocate more from less. All kinds of lobbies—within the government and the coalition parties, and in the various professional interest protection bodies—prevented a significant reduction in next year's budget spending. If public expenditure is not significantly reduced then we need a higher revenue than planned unless we want to give up stabilization and further increase our indebtedness. This is the reason this terrible tax table was created. And this is the reason we could not make better progress in changing the contribution system. This time this is all we could have political support for. The government and the coalition made a compromise. I am not happy about this but I acknowledge it.

[Bossanyi] What is the guarantee that you will come up with a complex tax and contribution reform within six months and that you will be able to carry this through interest coordination and parliament?

[Bokros] The guarantee lies in the compulsion. It will not be possible to set up the 1997 budget on the basis of the income and expenditure proportions accepted for 1996. We will have to expect at least Ft100-150 billion less income due to, for example, the reduction of customs, the lifting of supplementary customs duties, and lessening the burdens of personal taxation. Some of these can be regained from the economy's accelerating growth but the majority can only be balanced out by reducing expenditure. For this reason, parliament will have to pass the reform packages affecting the welfare provision systems.

[Bossanyi] What will be in the reform package?

[Bokros] In headlines: the reform of pension and health insurance, change of social insurance, revision of the work of local governments, educational reform and, finally, the further rationalization of central and local public administration.

[Bossanyi] Even the modest reform steps you planned in the welfare provision systems this year have mostly been lost. On what do you base a breakthrough next year?

[Bokros] Some parts of the stabilization package which affect the welfare reforms indeed could not be implemented. In spite of this, a major change has taken place in society's attitude: An ever increasing number of people can understand that, in a poor country, asserting the principle of need is more just and efficient than giving the right to family supplement and child benefits to everyone. Next year's changes will be professionally and legally better founded and will facilitate a more gradual change. The National Assembly has already pased a large number of them.

Stabilization Has So Far Been Successful

[Bossanyi] Does this mean that you have made a compromise with your own former more radical plans for changes? Has the expert Bokros been suppressed by the politician Bokros?

[Bokros] I have acknowledged the realities. As stabilization has so far been successful, I could yield without giving up my principles. Actually, 1996 will in any case be a turning point: It will be decided next year if the gradual transformation of state administration will be started or if the compulsion to slow things down will again overcome politics in light of the initial successes. If the latter happened, I obviously would not give my name to it because this would mean a lasting setback for the country.

[Bossanyi] But you have just been glorified at the Hungarian Socialist Party's congress, and the Free Democrats have also ensured their support. On the basis of the events, your resignation can justifiably be called blackmail?!

[Bokros] I am not blackmailing anyone. I only indicated that we have again arrived at a dangerous situation when the stabilization program can again become loosened. I naturally made it clear on what conditions I can continue to be a finance minister.

[Bossanyi] According to this, you continue to maintain that you will only remain in your position if your room for economic decision making is expanded, rather than narrowed.

[Bokros] Naturally.

[Bossanyi] Would the economic coordination working group being set up in the Prime Minister's Office mean a limitation of your activities?

[Bokros] I can only answer this when I can see what the tasks of this working group are.

Bosnian Prime Minister Assesses Bosnia's Future

MS1912104795 London BBC Television Network in English 0700 GMT 19 Dec 95

[Interview with Bosnian Prime Minister Haris Silajdzic by correspondent Tom Carver in Sarajevo, date not given; from the "Breakfast News" program — recorded]

[FBIS Transcribed Text] [Carver] When we met Haris Silajdzic the Bosnian prime minister, I asked him whether he thought he thought this really the start of a lasting peace.

[Silajdzic] I feel this is the end of war, and there will be peace if the international troops come here and implement the agreement, but this I think is the end of the war, which is the most important thing.

[Carver] Well, now, in the last days of the UN military mission here, after three and a half years of it being in your country, how do you feel about it, what the UN has done here?

[Silajdzic] The personnel on the ground have done their best, some of them have even died, in the process of the UN policy here, which was flawed from the very beginning. They came here to be neutral, they came here to play the role of the Red Cross; you cannot be neutral between evil and good. If you are neutral then you are on the side of the evil; there is no neutrality there. It is a false neutrality; the UN has pursued here the policy of containment. It is time now I think to make peace, enforce peace in Bosnia, and I think the international community has finally decided to do it, is determined to do it, and that is good, because this fire, the Bosnian fire, may otherwise catch the dry woods of the eastern Europe and the former Communist world and then we have a world war.

[Carver] And what about your feeling toward those that caused this war? Are you going to start searching for these people, these war criminals?

[Silajdzic] Of course, absolutely, that is, the war criminals have to be sought, apprehended, and turned over to the justice.

[Carver] But you have also got to forgive, haven't you?

[Silajdzic] Oh, that is a different thing. That is not my right, that is the right of those killed and raped. They can forgive if they want. Ours is law, and the law says that those must be punished.

Russian Embassy Denies Mladic Offered Asylum

AU1812171695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 18 Dec 95

[Report by Nada al-Issa from Zagreb]

[FBIS Translated Text] [Announcer] The Russian Embassy in Zagreb does not believe that Russia actually offered war criminal Ratko Mladic political asylum. Representatives of the War Crimes Tribunal in The Hague said the same in a telephone interview with Nada al-Issa, our Zagreb correspondent.

[Al-Issa] We do not think that this is possible, the Russian Embassy in Zagreb claimed, but added that they did not have complete information from Moscow. Western embassies claim the same: Russia would not allow itself the embarrassing luxury of granting a war criminal political asylum. Moreover, they do not believe that this is some [words indistinct] Russia's political game, according to which its representative in Belgrade would say something that would then be denied in Moscow.

The U.S. Embassy reiterated Peter Galbraith's statement that all countries must cooperate with the War Crimes Tribunal in The Hague or they would be isolated from the international community, and perhaps even face sanctions. After obtaining this information from diplomatic circles in Zagreb, I phoned the War Crimes Tribunal headquarters in The Hague. Mrs. [name indistinct] said that The Hague does not believe that Russia would offer the notorious general political asylum. They would like to believe what Russian Foreign Minister Kozyrev said, namely, that this was not true. If it were true, Russia would be warned, in the same way that Croatia was warned, that war criminals cannot be hidden, given asylum in one's own country, or even a new job. This will not save them from the defendant's bench in The Hague.

Izetbegovic Receives Bildt's Deputy in Sarajevo

LD1612145695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 16 Dec 95

[FBIS Translated Excerpt] Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Herzegovina, has received Michael Steiner, deputy of the international representative for the political and military implementation of the peace agreement, and his aides.

The two sides discussed practical steps for the reunification of Sarajevo, confidence-building measures, and modes of permanent cooperation between the legal authorities and the international representation. [passage omitted]

President Izetbegovic reiterated that Sarajevo will be reintegrated in line with the principle of justice for all citizens. This means in practice that all individuals will enjoy all human rights regardless of their national and religious affiliation and political views. But justice also means that criminals must face legal responsibility.

In connection with this, an appeal to the citizens in the occupied parts of the capital has been sent out from this meeting. The appeal urges them to wait for the arrival of the legal authorities of the Federation of Bosnia-Herzegovina without concern or anxiety. The future Bosnia will be a country of justice and not a country of revenge, a country of equality and not of discrimination, a country of opportunity and not of restrictions.

This appeal reflects the full agreement reached by the state bodies of the Republic of Bosnia-Herzegovina and the international representatives for the implementation of the Dayton agreement.

Steiner Received by Sacirbegovic

LD1612154495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 16 Dec 95

[FBIS Translated Text] Michael Steiner, a high-ranking international representative, was received by Muhamed Sacirbegovic, foreign minister of Bosnia-Herzegovina, today. Minister Sacirbegovic held a news conference at which he informed journalists of the details of his talks with Michael Steiner, and other issues relevant to the reintegration of Bosnia-Herzegovina.

We are broadcasting part of what Minister Sacirbegovic said at today's news conference, and in later news bulletins we will broadcast a full report on Sacirbegovic's news conference.

[Begin Sacirbegovic recording] We expect Mr. Steiner to be appointed deputy of the high representative, and as his deputy he will play a major role on the ground in the Sarajevo area. It is expected that Mr. Bildt will spend most of his time outside Bosnia-Herzegovina, while Mr. Steiner will conduct matters on the ground.

There is a lot of work to do in terms of organization. Clearly, Mr. Steiner will have to cooperate both with the government of the Republic of Bosnia-Herzegovina and with the Federation and with local authorities and with (?the presidency) and directly with some ministries, (?especially) on the issue of the integration of police forces and on security measures in places which are currently controlled by the Serb side or which were formerly under the control of the Serb side.

We also spent quite a lot of time discussing Sarajevo. We asked Mr. Steiner only one thing: Is there any kind of secret agreement between Mr. Steiner, Mr. Bildt and the international community, on the one hand, and the Serbs who are now on the other side, on the other? The response was clear: There is no secret deal; we are here to implement the Dayton agreement, and this means that we are implementing the integration of a unified Sarajevo into [word indistinct]. [end recording]

Koljevic Meets With Envoy

LD1512233095 Belgrade SRNA in Serbo-Croatian 2203 GMT 15 Dec 95

[FBIS Translated Text] Sarajevo, 15 Dec (SRNA) — Professor Dr. Nikola Koljevic, the vice president of the Serb Republic, held talks with Karl Bildt's special team for the implementation of the Dayton agreement in the Sarajevo area in Serb Sarajevo today.

Following the meeting, Koljevic said that special team of representatives led by German diplomat Michael Steiner showed understanding for the decision made by the citizens of Serb Sarajevo, who voted in a referendum not to become a part of the Muslim-Croat entity.

"This is the first meeting, and it is obvious that a compromise between the Dayton agreement and our referendum will be sought. The safety of our citizens and several practical solutions will be sought so that the people in Serb Sarajevo will have, above all, an opportunity to choose," Koljevic said.

The Serb Republic vice president announced that more detailed talks with Bildt's special team would be held in the next few days. He also said that a new round of talks would be held in Ilidza tomorrow.

"It is obvious that the members of Bildt's team want to resolve this problem, and they are displaying a sense of realism with regard to the situation on the ground," Vice President Koljevic added.

Having concluded that "there are some difficulties regarding the implementation of the agreement," Michael Steiner, the head of Bildt's mission for Sarajevo, said:

"What we are trying to do is to tell the people that they should not be afraid, that they will be safe in the long run."

According to Steiner, they discussed several elements, including the police force, infrastructure, and some political issues.

"These are elements which should help build the trust so that the people can feel safe not just during this transitional phase but also in the future. I believe that the most important thing is for the people to understand that we have time, so nothing will be done in a hurry," Steiner said, and added "there is no reason for panic".

Serb Sarajevo Mayor Vojislav Maksimovic and the city executive council chairman, Maksim Stanisic, attended the talks. UNPROFOR [UN Protection Force] head of mission Antoine Pedauye and French General (Deparel) were members of the special mission.

Serbs Agree to U.S. Reconnaissance; Clash Noted

AU1812172195 Paris AFP in English
1706 GMT 18 Dec 95

[FBIS Transcribed Text] Tuzla, Bosnia-Herzegovina, Dec 18 (AFP) — The senior commander of the U.S. forces in Bosnia, Brigadier-General Stan Cherrie, said Monday he had obtained agreement from the Bosnian Serbs to carry out reconnaissance trips on the roads the U.S. army will use to enter Bosnia.

Cherrie said he had met leaders of the Bosnian Serbs, Bosnian Moslems and Bosnian Croats for the first time at a regional joint commission meeting organised by the United Nations to discuss the ceasefire which started in Bosnia on October 5.

The general, who flew into Tuzla by helicopter late Sunday from Kiseljak, in central Bosnia, said the commanders of all the parties to the conflict were "very, very responsive."

"We asked for some reconnaissance rights (from the Bosnian Serbs) and got them," he said. "A reconnaissance of selected routes will start Wednesday." All the parties were "genuinely agreeable."

Last week a U.S. reconnaissance party that travelled up to the Serb-held town of Bosanski Samac, near Brcko, clashed with the Serbs in the town.

A UN civilian spokesman, Bruce Stock, said that the Serbs were infuriated that the American patrol tried to enter the town and told the United Nations that U.S. troops will never be welcome there.

U.S. officials in Zagreb confirmed the incident.

The meeting attended by Cherrie was held one day after Bosnian Serb assembly meeting at Jahorina, a former ski resort near the Serb stronghold of Pale, approved the NATO deployment while objecting to certain elements of the Dayton peace accord.

Under the Dayton peace deal, the parties have agreed to give freedom of movement to the NATO-led Implementation Force and their permission should not in theory be required for each and every reconnaissance trip made by NATO forces.

Speaking at the UN-run airbase in Tuzla after at least 13 U.S. aircraft flew into the base, Cherrie admitted that there had been delays in deployment caused by bad weather but said the airport was "running well and getting better every day."

"The airflow is a little behind... but it is not critical," he said, adding that he did not think it would put in jeopardy the transfer of authority from the United Nations to the NATO force. The transfer is due Wednesday.

Corps Will Cooperate With IFOR

LD1912101695 Belgrade SRNA in Serbo-Croatian
1010 GMT 19 Dec 95

[FBIS Translated Text] Brcko, 19 Dec (SRNA) — General Novica Simic, commander of the [Bosnian] Serb Republic army's Eastern Bosnia Corps, has told the local radio station that "demarcation lines in the Brcko area are favorable to our enemies."

"Under the Dayton agreement the lines have been shifted north toward Brcko. We also lost several peaks on Mt. Majevica, such as Stolice and Banj Brdo, and it is clear that the Muslims and the Croats ended up with certain strategic positions which we staunchly defended for four years," Simic said.

He said that his corps will "respect deadlines for the redeployment of troops to new positions" and that it will "develop good working relations with IFOR despite the fact that the wounds inflicted by the bombing are still fresh."

Simic did not want to speculate on whether the Russians or the Americans will be deployed in Brcko and said that it is "important that they are under a unified command."

Signs of Serb Withdrawal

AU1812130195 Paris AFP in English
1241 GMT 18 Dec 95

[Report by Adrian Brown]

[FBIS Transcribed Text] Sarajevo, Dec 18 (AFP) — Bosnian Serb and Croat forces have begun pulling back from certain frontlines areas ahead of the start of NATO's historic peace mission in Bosnia, UN officials said Monday.

"In the Serb suburbs of Sarajevo which transfer under the Dayton agreement we have seen initial signs, very limited, of a degree of military withdrawal," UN military spokesman Chris Vernon said.

Under the Dayton peace accord for Bosnia signed last week in Paris, certain Serb-held areas are to revert to government control. The warring forces have 30 days to complete this task from the day of handover to the NATO force which will oversee the peace agreement. This is slated for December 20.

In recent days, UN peacekeepers have observed the removal of trucks, military equipment, logistics stores, generators, accomodation stores but now some weaponry has begun to move out too, Vernon said.

"This is interesting as it is all below the calibration levels in the framework agreement, i.e. below 82 mm mortars and below 100mm for artillery, which is encouraging," he said.

In September the Bosnian Serbs signed an agreement to withdraw their heaviest guns used during the 44-month-old conflict to impose a brutal siege on the capital. However, some guns were permitted to remain behind.

Conflicting messages have emerged from the Serbs in those areas due to return to government control. Some leaders have said they will leave and burn everything as they go, while others have said they shall stay and fight "politically" the handover.

In the west of Bosnia, around the towns of Mrkonjic Grad and Sipovo, Croat forces have also begun to withdraw from territory they took in a summer offensive but asigned to the Serbs under the Dayton accord. "That area has been slowly de-militarised over the last few weeks, with (Bosnian Croat) HVO [Croatian Defense Council] troops moving back to what will be the inter-entity border," Vernon said.

Bosnia's U.S.-brokered peace accord divides the country roughly equally between the rebel Serb's republic, Republika Srpska and the Moslem Croat federation.

Serbs' Kasagic on Accord, Cooperation With Serbia

*LD1812212095 Pale Srpska Televizija
in Serbo-Croatian 1930 GMT 18 Dec 95*

[FBIS Translated Excerpt] The administration of [Bosnian] Serb Republic Prime Minister Rajko Kasagic held its first session in Pale today. The administration discussed the most topical problems regarding the functioning of the state and ways of resolving them. Having stressed the importance of resolving these issues on the ground, the session concluded that it is necessary to pay a special attention to the work of two key ministries, Information and Internal Affairs, in the upcoming period.

[Correspondent] The prime minister said the following about the most topical problems, and specifically about the most urgent ones:

[Begin Kasagic recording] This is the first session at which the government has been constituted. Today we have established the mode of its operation. [passage omitted]

We have a chance to get a state, and the world has allowed us this, if we establish its structures as we ought to; and a precondition for this is, above all, cooperation with Serbia, that is, Yugoslavia.

We must openly build relations with the world. We must openly implement the Dayton agreement, which presupposes open cooperation with all UN representatives in the Serb Republic, including representatives of humanitarian organizations, which we unfortunately still very much need because we are incapable of surviving on our economy. [end recording]

[Correspondent] [passage omitted] The government will deal with the following tasks in the upcoming period:

[Begin Kasagic recording] The key ministries are the Information Ministry, that is, the minister in charge of it, and the minister and Ministry for Internal Affairs. If they set their relations as they should, if we solve these problems at the state level, then it is certain that we will resolve other problems more easily.

The next phase is, that is, the priority in resolving these problems is the revival of the economy. This is tantamount to the use of domestic resources until international loans, that is, international aid starts to arrive. It is very important to draft a welfare program and resolve accumulated social problems. [end recording] [passage omitted]

Karadzic Hails Work of Serb Assembly Session

*LD1812200495 Pale Srpska Televizija
in Serbo-Croatian 1930 GMT 18 Dec 95*

[FBIS Translated Text] After the 56th regular session of the Serb Republic People's Assembly, Republic President Radovan Karadzic gave the following assessment of its work:

[Begin Karadzic recording] The session showed that there is completely firm and unshaken unity of the leadership, unity of the assembly, irrespective of party affiliation. There is an inclination to help the new government. At times we were on the verge of being without a quorum; because of the bad weather some deputies had to leave. However, despite this, the assembly displayed an enormous level of unity.

The assembly is aware that — through its work and the work of Serb deputies irrespective of their party affiliation, and particularly through the work of Serb deputies of the Serb Democratic Party — we have achieved our state. This is the first session after the Paris signing; it did not take place in a triumphant atmosphere, because we have reasons to be angry and dissatisfied with many things, but we likewise have reasons to be satisfied because it is nevertheless clear that the Serb Republic is now the Serb Republic, not a so-called Serb Republic, that nobody can now say that it is a so-called republic.

Other problems will be resolved by political struggle — this is what we are good at, maybe even better than at armed struggle. [end recording]

Sacirbegovic: Sarajevo To Be 'Totally Reunified'

BR1812130895 Paris LE FIGARO in French
16 Dec 95 p 2

[Interview with Bosnian Foreign Minister Muhamed Sacirbegovic by Xavier Gautier; place and date not given: "Sacirbegovic: 'Sarajevo Will Be Totally Reunified'"]

[FBIS Translated Text] [Gautier] When you arrive at Sarajevo tomorrow, you will have to pass between zones occupied by the Serbs, but which will soon have to handed over to Bosnian-Croatian federation. Do you think that the capital will be reunified?

[Sacirbegovic] Yes, I think so. And I find it rather emotional. We have all been surprised by the speed with which the peace process has come about. Karadzic and Mladic accepted the Dayton agreements because they thought they could manipulate their population in Sarajevo and encourage them to refuse the reunification of the city. But it will be reunified, I am totally convinced of it.

[Gautier] What kind of reunification will it be? Like the one that reunited Berlin in 1989-90, that is to say, total, or will it be a de facto separation, just looking like a reunification?

[Sacirbegovic] Sarajevo will be totally reunified around a single police force and a single Army, the Bosnian Army. The public services — water, gas, electricity — will have to be controlled by the Sarajevo government. The agreements that have been signed are clear: Ten districts of the former Sarajevo will be Bosnian and just one will remain with the Serbs. Naturally, these districts must have a certain autonomy, and the police force will be composed of Serbs, Croats, and other professionals.

[Gautier] Your soldiers risk entering a district of Grbavica that has been abandoned by the Serbian population...

[Sacirbegovic] Of course — and this is a great challenge — we must reassure the Serbian population and everyone else that they are free to live anywhere they want in Sarajevo. The myth is now over of a supposedly Serbian Sarajevo and a Muslim Sarajevo. The Sarajevo Serbs belong to our town, but historically they arrived relatively late. In our future capital no ethnic group will have the right to dominate another.

[Gautier] After three years of massacre and destruction, is there not a risk of uncontrolled vengeance — savage cleansing — by your own soldiers?

[Sacirbegovic] The NATO peacekeeping force will be deployed to prevent all kinds of provocation and vengeful violence. You cannot try to outsmart 60,000 NATO troops.

[Gautier] If they occupy the mountains surrounding Pale, the Serbian separatists will still be able to bomb the town [of Sarajevo]. Are you afraid that the siege of Sarajevo might continue in a different way?

[Sacirbegovic] We will have to live with that potential threat. The Serbian butchers and criminals in Grbavica, Hadzici, Ilidza, and Ilijas (districts or suburbs occupied since 1992 — LE FIGARO editor's note) must know that their only future is to stand in the dock at the international war crimes tribunal in The Hague.

[Gautier] Will General Mladic and Radovan Karadzic be handed over to the court in The Hague, or will they manage to escape their judges in the name of "realpolitik?"

[Sacirbegovic] No democratic country worthy of the name could declare an amnesty or pardon war criminals!

[Gautier] The only precedent for Bosnia-Herzegovina, Mostar, which was placed under European administration, is hardly encouraging. The Croat separatists are refusing the reunification of the town. Is that not worrying for the future of Sarajevo?

[Sacirbegovic] Everyone is aware of the danger posed by the precedent of Mostar. However, there nobody would act quickly enough and apply the necessary pressure for reunification. We let too much time go by and the situation became blocked. That was a mistake. However, in Mostar around 100 European policemen are not enough to bring the extremists to heel.

[Gautier] In Dayton in November you announced that you will soon be resigning your post. Why?

[Sacirbegovic] Because in the future organization of the Bosnian-Croatian federation it is specified that the Croats must hold a key post. The post of president (already destined for the current head of state, Alija Izetbegovic — LE FIGARO editor's note) is not free. Our prime minister, Haris Siladzic, does not want to give up his post, either. I had to set an example.

[Gautier] Of course, but you have also been highly critical of the peace process. What are the weaknesses of the agreement signed in Paris?

[Sacirbegovic] The framework agreement is a necessary compromise, even if it is not wholly satisfactory. Its only real weakness is that it has established a very complicated political organization for the future Bosnia-Herzegovina. Any decision could be blocked by a very small minority. You cannot have a European state functioning by a string of vetoes.

Krajisnik: Serbs Have Right To Stay in Sarajevo

LD1812205395 Pale Srpska Televizija in Serbo-Croatian 1930 GMT 18 Dec 95

[FBIS Translated Text] Momcilo Krajisnik, president of the People's Assembly of the [Bosnian] Serb Republic, was a guest speaker at a panel debate in Rajlovac tonight. He supported the commitment of the citizens of Serb Sarajevo to remain in their ancestral homes and not to accept Muslim authority.

Mr. Krajisnik informed the population of Rajlovac of the conclusions made at last night's session of the Serb parliament and conveyed the support of the people's deputies as well as that of the entire Serb people for insistence on their demands.

[Correspondent] Tonight, in the Sarajevo municipality of Rajlovac People's Assembly, President Momcilo Krajisnik was a guest at a public panel entitled "Serb Sarajevo in the Wake of Dayton and Paris." He informed in detail those present here about the provisions and methods of the implementation of the Dayton agreement. The people who have defended this city have a right to stay in it together with their authorities, President Krajisnik stressed.

A solution to the current problems can only be found in a united standpoint of all citizens of Serb Sarajevo. Only in this way, in the event of the worst scenario — that is, if this city must be handed over to the Muslim-Croat Federation — can the citizens of Serb Sarajevo be given compensation. At the moment there are quite a number of reasons which indicate a solution. Based from them, the leadership of the Serb Republic is still of the opinion that this city must and can be saved as a political, cultural, and administrative centre.

President Krajisnik said that the city can be saved if we know what we want, and that it is very certain that the final outcome will depend on what the population of Serb Sarajevo will decide.

By waging a political struggle and implementing decisions aimed at raising the degree of the population's safety, one can possibly reach the goal, namely to stay in Serb Sarajevo under Serb authorities or emigrate to a new city which the Serb Republic, the Federal Republic of Yugoslavia, and the international community ought to provide for these people.

Replying to some questions raised by those present, president Krajisnik called once again for unity among the people and stressed that only if we all stay together can our will be carried out.

Koljevic: Mediators Accept 'New Serb Sarajevo'

LD1712142995 Belgrade TANJUG Domestic Service in Serbo-Croatian 1341 GMT 17 Dec 95

[FBIS Translated Text] Kragujevac, 17 Dec (Tanjug) — Nikola Koljevic, vice president of the [Bosnian] Serb Republic, told Radio Kragujevac today that "international mediators" had accepted the idea that, with their help, a Serb Sarajevo should be constructed on Serb land around Sarajevo.

He recalled that a guarantee had been received from the Federal Republic of Yugoslavia for the construction of a new Serb Sarajevo.

He explained that "the mediators" understood that people could not feel good unless they had the possibility to choose.

"Conferences need to be held, but work on the ground is irreplaceable," Koljevic stressed in the "Hallmark of Time" program. He added that Carl Bildt's team, headed by his deputy Michael Steiner, had been holding talks in Serb Sarajevo for three days "in order to find new solutions for the problems facing the residents of that part of the city."

He said that it was agreed to end the media war, and that work on the infrastructure, all aspects of the security of the population, the possibility of postponing access [to Serb Sarajevo] of the police force of the Muslim-Croat Federation, and forms of local self-government had been discussed.

Buha: 'No Written Guarantees' for Sarajevo

LD1612113695 Belgrade SRNA in Serbo-Croatian 0212 GMT 16 Dec 95

[FBIS Translated Text] Sarajevo, 15 Dec (SRNA) — Aleksa Buha, foreign minister of the Bosnian Serb Republic, said this evening that the Dayton Agreement signed in Paris yesterday signifies the end of the war and an end to the suffering of the people in the former Bosnia-Herzegovina.

"We have achieved our aims with this peace, namely the formation of our state, and now it is known who owns what. Each of the peoples will have an opportunity to organize themselves as they wish," Buha said.

Appearing as a guest on a special program on Bosnian Serb television, Buha said the achievement of the Dayton Agreement lay in the fact that the peoples of the former Bosnia-Herzegovina will return to a normal life, "as circumstances require."

He said all world political analysts, including former U.S. Secretary of State Henry Kissinger, believe that a unitary Bosnia is untenable.

Assessing the work of the Dayton summit, Buha said members of the Serb Republic's negotiating delegation were not presented with the plans in a timely fashion, and so were unable to react to them swiftly.

"The worst things happened with Serb Sarajevo. There was a proposal to divide Sarajevo into 10 municipalities, with each one being connected with its own entity," Buha said, stressing that "all solutions were imposed."

He pointed out that there are no written guarantees for the citizens of Serb Sarajevo — only the promises of the international community that their status will be resolved as part of the implementation of the peace agreement in the former Bosnia-Herzegovina.

"As for the guarantees for Sarajevo Serbs, we can at least expect delays over the implementation of the part of the agreement relating to Serb Sarajevo," the Serb Republic's foreign minister said. He added:

"We have given binding assurances that if there is no favorable solution for the inhabitants of Serb Sarajevo, we will build a new city for them. If there is no favorable solution, a fresh exodus of Serbs will take place."

Speaking about the documents which contain definitions of citizenship, Buha said that "it will only be after a joint assembly is formed that the issue of passports can be defined, and until that time current passports will be valid."

The Bosnian Serb foreign minister said Serbs who have hitherto been in top posts in the Muslim-Croat federation will not be able to stand as candidates in the upcoming elections.

"We will retain all the institutions which make up our state and these will be under the authority of the Serb Republic," Buha concluded.

Sarajevo SGV Hails Accord, State Integrity

AU1812212895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 18 Dec 95

[FBIS Translated Text] The Serb Civic Council [SGV] of Sarajevo, at today's session, which discussed Sarajevo's constitutional status and the constitutional and legal status of Serb citizens, accepted and supported the peace agreement for Bosnia-Herzegovina signed in Paris.

The agreement was assessed as being the best confirmation that the idea of peace, sovereignty, and integrity of Bosnia-Herzegovina has won. The SGV assembly believes that the value of the agreement lies in the fact that it guarantees equality to all peoples and nationalities throughout Bosnia-Herzegovina, their return to their homes, and instruments for the protection of human rights and liberties.

Sarajevo was supported as an integral and indivisible territorial and political community, that is, as a city in which citizens exercise their rights and liberties on the principle of equality irrespective of national and confessional membership.

The assembly supports the urgent opening of all communication channels, particularly information channels, throughout Sarajevo. It was concluded that, in its future work, the SGV would be active [words indistinct] throughout the city. The SGV demands that the organized activity of the Muslim and Croat people be enabled on the territory of the Serb entity.

Martic Rejects Accord, Vows To 'Fight' for RSK

AU1812205295 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 18 Dec 95

[Report by Velimir Bozic on the "first congress of the Association of Serbs Expelled From the Former Yugoslav Republic of Croatia" in Banja Luka on 18 December — recorded]

[FBIS Translated Text] The first congress of the Association of the Serbs Expelled From the Former Yugoslav Republic of Croatia is under way at the House of the Army of the Serb Republic in Banja Luka. The congress is held on the eve of St. Nicholas' Day, the saint's day of the Republic of the Serb Krajina [RSK], the fourth anniversary of which is being observed by the expelled Serbs in Banja Luka. Velimir Bozic has a report:

[Bozic] The congress of the Association of the Refugee Serbs From the Former Yugoslav Republic of Croatia is being attended by the authorities of the RSK, the state bodies of the Serb Republic, Generals Milan Celeketic and Zivomir Ninkovic, Banja Luka public figures, and the citizens of the RSK now living in the Serb Republic. Mr. Ilija Prijic spoke about the early days of forming the state, the RSK, the chronological sequence of events, development, and the [word indistinct] fall of the territory, while Milan Martic, RSK president, talked about the current situation and the future activities of the state authorities. Emphasizing that the Serbs would never give up the right to their existence and their return to their homeland, Milan Martic said:

[Martic] None of you here, including me, of course, has the right to renounce the RSK and their homes. I am not interested in any signatures in Dayton or Paris. I will fight for the RSK until the end of my life.

I believe that you share my opinion that (?in order to do that) we must change a lot among ourselves. We must, as our Patriarch Pavle said, be human towards one another; we must help one another in this great misfortune that we are suffering. In order for (?what I am talking about) to come true, we are in contact here every day, and I would like to thank our brothers in the Serb Republic who are helping us — both the political and the military authorities, as well as the municipal authorities. I would like to thank them all very much — it would be very difficult without their help. I expect that, when they have a better life, this help will be even greater.

[Bozic] Dr. (?Milan Bastasic) read a report on the activities of the Association, while (?Vlado Cvijic) was nominated for the position of the first president of the Association. The members of the Association of the Serbs Expelled From the Former Yugoslav Republic of Croatia adopted a special resolution, in which the plans and program orientation of the Association are (?delineated).

Commentary Views RS 'Geostrategic Position'

AU1812125195 Banja Luka GLAS SRPSKI in Serbo-Croatian 9-10 Dec 95 p 4

[Commentary by Dragan Marcetic: "Neither Favorable nor Hopeless"]

[FBIS Translated Text] After over three years of war, the Serbs from the former Bosnia-Herzegovina have definitely and irrevocably gotten their own state. In this way, the most important and the most vital national interest has been realized. For the time being little is known about the Dayton agreements in general (constitutional principles and annexes), but a lot can be concluded on the basis of the maps of territorial division between the entities in this region.

The first and most important thing is that the Serb Republic [RS], on the basis of the famous 51:49 percent proportion, has been cut in such a way so as to complicate the life of Serbs in the former Bosnia-Herzegovina, or in the future union, as much as possible. The map doubtlessly confirms that the West (the United States, the rest of NATO, and the United Nations) and the Muslim- Croat federation will have many possibilities to do all they can to keep the Serbs in the union and to assimilate them. On the other hand, if that is so obvious, then the Serb Republic should in a relatively short time find the methods and the means to prevent that from happening.

"Concerted Effort"

That relatively short time is, in fact, the time of the participation of the multinational forces (20,000 soldiers from the United States and 40,000 others, mainly from NATO) in the "Concerted Effort" operation on the territory of the former Bosnia-Herzegovina, for the purpose of "guarding peace." That will most probably last one year (the U.S. soldiers will return in November 1996, because of the presidential elections, which will result in the withdrawal of the rest of the troops). After all, that has already been announced. Once it comes to that, there will come a time in which the Serb Republic will have to block in every possible way the assimilation appetites of the federation and of Croatia towards western Serbs and their territories, even by using military force if that becomes necessary. That is why, just in case anything happens, it is necessary to consider the geostrategic position of the Serb Republic, which is completely represented on the map, because the survival and the future of the state for the greatest part depend on it. Someone might ask why we need to consider the position of the Serb Republic, if it is already known. Yes, it was known until recently, when the Serb Republic had 72 percent of the territory of the former Bosnia-Herzegovina, and when the Republic of Serb Krajina still existed; but it is no longer known now when the Serb Republic possesses 48.6 percent, and when Muslims and Croats are on its western borders.

Under the geostrategic position of the state one first of all understands the interaction between its geographic position and the existential possibilities which decisively determine its defense abilities in the case of aggression. The present (Dayton) geostrategic position of the Serb Republic is mainly characterized by the following. With nearly 1.3 million inhabitants, the Serb Republic is situated on the north and east of the former Bosnia-Herzegovina, and its borders consist of the Sava River (from Kozarska Dubica [Bosanska Dubica] to Sremska Raca), the Drina River, and Montenegro. The territory is semi-encircled by the Muslim-Croat Federation (which until Dayton was the other way around, but the skillful cartographers have managed to correct that "mistake") and Croatia, with only one exit to the east, to the Federal Republic of Yugoslavia. The territory of the former Bosnia-Herzegovina belonging to the Serb Republic is practically divided into three basins (those of [Bosanska] Krajina, Podrinje, and Herzegovina), between which there are no secure communications, because of the possibilities of cutting them near Brcko, Ugljevik, and on the Gorazde-Visegrad direction. The biggest depth of the territory of the Serb Republic, which is also the area in which it is most narrow, is the north-south direction from Bijeljina to Cajnice, and the biggest width is on the west-east direction Otoka-Prijedor-Prnjavor-Brcko-Bijeljina. The least depth of that territory is on the north-south direction, in the area of Brcko (around 8 km), and the least width is in the area to the south of Ugljevik. Of all the airports of the former Bosnia-Herzegovina, it has retained only the Mahovljani airport near Banja Luka, and the railway communications on the directions Banja Luka-Prijedor-Novi Grad [Bosanski Novi], and Banja Luka-Doboj. The most important roads are Novi Grad-Prijedor-Banja Luka-Prnjavor-Derventa-Brcko-Modrica-Bijeljina, Pale-Han Pijesak-Vlasenica-Zvornik-Bijeljina, and Trebinje-Gacko-Srbinje [Foca], but this traffic communication to Visegrad is interrupted in the area of Gorazde. As for water communications (the Sava River), there none for the time being.

The Danger of a Horseshoe

There are no proper mineral resources, and forestry, particularly in the west, has been heavily harmed by the Dayton agreements. Out of all the thermoelectric and hydroelectric plants in the former Bosnia-Herzegovina, the Serb Republic has retained the "Gacko" and "Ugljevik" thermoelectric plants, and the "Trebisnjica," "Visegrad," and "Bocac" hydroelectric plants. Judging by all that, the basis of the economic power of the Serb Republic will mostly consist of the agriculture of Krajina and Semberija, which confirms the fact that this Serb state has been heavily harmed by the Dayton agreement in the sense of the quality of the territories divided between the entities in the former Bosnia-Herzegovina.

The situation is similar when one looks at this map from the aspect of the military science, i.e. strategy. The shape of the Serb Republic contributes to that in particular; it has the shape of a horseshoe, most narrow in the middle, which questions its land ties with the motherland. Although the armed forces of the entities in the former Bosnia-Herzegovina will surely be limited by the Dayton agreement or the peace agreement, they would certainly grow at least to the present extent in case of war. That means that the Army of the Serb Republic, having around 100,000 men, 350 tanks, 1,500 artillery pieces, and 20 military planes would be opposed to the forces of the Federation, around 180,000 men, 150 tanks, and 1,000 artillery pieces, and those of Croatia, with around 50,000 men, 300 tanks, 1,500 artillery pieces, and at least 30 military planes. At that, it must particularly be taken into account that the assessment of the number of tanks, artillery pieces, and military planes the enemy sides will have in one year's time is relative, because after the arms embargo is lifted it is quite certain that a frenzied arms race will start, particularly in the federation. Regardless of all that, it is obvious that the balance of power in the human resources and military equipment is unfavorable for the Serb Republic, which was manifested already this fall, and was one of the reasons for the loss of 13 Serb municipalities in the west of the Serb Republic. To the aggressor, the balance of power being so favorable for them, this geographic position of the Serb Republic offers big possibilities for a simultaneous aggression on this Serb state from the north, south, and west, on the general directions Novi Grad-Prijedor-Banja Luka, Sanski Most-Banja Luka, Stara Gradiska-Laktasi-Banja Luka, Jajce-Banja Luka, Slavonski Brod-Derventa-Doboj, Gracanica-Brcko, Tuzla- Bijeljina, Kalesija-Zvornik, Gorazde-Visegrad, Mostar-Gatacko Polje, and Stolac-Bileca, in order to join their forces from various directions in the wider area of Banja Luka, conquer Krajina, cut the Serbian Republic in three parts, and later completely occupy those Serb territories upon the destruction of the Army of the Serb Republic. Being almost completely encircled, Krajina would have big problems in such an aggression.

Precious Experience

There is no doubt that the geostrategic position of the Serbian Republic in relation to the potential aggressors is unfavorable and extremely complex. Now it is completely clear to everybody how the territorial division has been used, why the West took Sarajevo and Odzak away from the Serbs, why the corridor in Posavina has not been widened to 20 km, why the Serbs were not given an exit to the coast, and why the Muslims were provided with a corridor to Gorazde. After all that has been said, it is quite normal to ask what can be done to prevent the worst happening to the Serb Republic under such conditions. The devil is never as black as he looks, nor are there any problems that cannot be solved. Although unfavorable, the geostrategic position of the Serb Republic is not hopeless. In order to eliminate the negative influences on the defense power of the Serb Republic, it is possible to undertake a number of adequate measures and actions. At that, the experience attained in the war should also be used. That experience says that Muslims are not a worthy enemy for the Army of the Serb Republic, and that the real danger comes from the Croats. That is why in the coming period the following steps should be taken in the first place. The most important thing is to form confederal, and if possible federal, ties with the Federal Republic of Yugoslavia, as soon and as close as possible. The second would be the construction of unique armed forces (the Army of the Serb Republic and the police) as soon as possible, and an urgent reorganization and professionalization of the army. The third is the construction of a unique system of government and of command over the armed forces, based exclusively on the principles of one command and of subordination. The fourth is the creation of operational maneuver forces capable of preventing the breakthroughs of the aggressor with counteroffensives and counterattacks. At the same time, together with the forces for the defense of the territory, it is necessary to create operational reserves, capable of carrying out offensive military action immediately upon the beginning of the aggression. The fifth is the systematic, detailed, and qualitative engineering grouping of the Army of the Serb Republic, particularly along the Sava River and the lines Kozarska Dubica-Otoka-Mrkonjic Grad-Sipovo-Bocac, on all the directions on which the armies of Herzeg-Bosnia and of Croatia could try to penetrate Krajina or the wider area of Banja Luka.

Banja Luka Liberals Want 'More State Attributes'

AU1912113995 Belgrade POLITIKA in Serbo-Croatian 15 Dec 95 p 13

[BETA report: "Zivanovic: Bosnia-Herzegovina Has To Be Rebuilt"]

[FBIS Translated Text] Banja Luka, 14 Dec — Miodrag Zivanovic, chairman of the Liberal Party of Banja Luka, said today that, after the signing of the agreement in Paris, everyone was facing "the construction of a country called Bosnia-Herzegovina."

That country, as Zivanovic told BETA, will have to have "more state attributes than envisaged by the peace documents."

"I am not inclined toward those who are making a farce out of the state of Bosnia-Herzegovina, who are waiting for some kind of a 'transitional solution' in which the national entities will separate and be annexed to their respective mother states," he said.

"I am certain that we would all lose from such an outcome. That is why I think that the construction of a state with as many attributes of a real state as possible is the only way to solve everything we have not managed to solve during the four years of war," Zivanovic added.

Croat Ministers Complain of 'Outvoting' Ploy

LD1812195995 Sarajevo Bosnia-Herzegovina Television in Serbo-Croatian 1830 GMT 18 Dec 95

[FBIS Translated Text] A public statement was received by our office before today's government session. The statement was made by the ministers and deputy ministers in the government of the Republic and the Federation who come from the ranks of the Croat people. Let us hear the statement:

At the 90th session of the government of the Republic and Federation of Bosnia-Herzegovina, held on Saturday 16 December, the law on changes and amendments to the law on the government of the Republic and Federation of Bosnia-Herzegovina, the laws on the Republic's ministries and other bodies of republican administration, the law on changes and amendments to the law on the government of the Federation, and the law on federal ministries were adopted in the form of drafts as a means of outvoting the ministers and deputy ministers of Croat nationality.

The ministers and deputy ministers in the government of the Republic and Federation of Bosnia-Herzegovina who come from the ranks of the Croat people have explained why they could not vote for endorsing these draft laws by pointing to the fact that the adopted draft laws vest in the Bosnia-Herzegovina Government a kind of power that is not envisaged under the Dayton agreement.

Among their reasons, the ministers also point to the fact that, according to the constitutional solutions under the peace agreement for Bosnia-Herzegovina, competencies are defined at the level of Bosnia-Herzegovina rather than at the level of the Republic of Bosnia-Herzegovina. Those solutions that refer to the competencies of the government of the Republic of Bosnia-Herzegovina and the number of ministries of the government of the Republic of Bosnia-Herzegovina, endorsed and adopted as a means of outvoting the Croat side, were supported by the premier, who justified them by referring to provisions of the peace agreement in Paris.

Following this, the premier suggested that a government of the Republic of Bosnia-Herzegovina should have a president, two deputies, six ministers with a portfolio, and three without it. This accounts for a total of 12 ministries, something that is directly at odds with the Paris peace document, it is stated in the statement signed by Vlado Pogacic, deputy minister for foreign affairs of the Republic and Federation of Bosnia-Herzegovina.

Contrary to this is the Croat side's suggestion, which was declined and which included a model of a presiding member and six ministries, which was as close as possible to the model of a council of ministers under Article 3 of the Bosnia-Herzegovina constitution in keeping with the Paris peace agreement, the statement says.

The representatives of the Croat people in the government of the Republic and Federation of Bosnia-Herzegovina call for consistent implementation of the agreement on realizing the Bosnia-Herzegovina Federation and the peace agreement for Bosnia-Herzegovina, signed in Dayton and in Paris. They maintain that only a consistent implementation of the whole peace arrangement for Bosnia-Herzegovina can be a guarantee for restoring peace and effective administration in Bosnia-Herzegovina.

In a statement for BH-PRESS agency, Premier Haris Silajdzic commented on the above statement in one single sentence:

Debates of this kind should be conducted within the government of the Republic and Federation of Bosnia-Herzegovina and the republic's parliament and the Constituent Assembly of the federation.

UK Minister Announces $31 Million Aid Package

AU1812172295 Paris AFP in English
1700 GMT 18 Dec 95

[FBIS Transcribed Text] Sarajevo, Dec 18 (AFP) — British aid minister Lynda Chalker Monday announced an aid package worth 20 million pounds ($31 million) for Bosnia during a 24-hour visit to the Bosnian capital.

An initial sum of 7 million pounds of aid will be available immediately for humanitarian projects with the remaining 13 million pounds being dispersed throughout 1996.

Of the first tranche of aid, 2 million pounds will go to a British humanitarian food project. Another 1 million pounds will go to Serb refugees areas with a further 1 million each to non-government agencies promoting reconciliation between Bosnia's warring communities and to British reconstruction projects, Chalker said.

"We have already been working here (in Bosnia) for three and a half years," Chalker told AFP. "This is Britain taking the lead and I will be encouraging others to do the same."

With a Bosnian peace accord signed by the leaders of Bosnia's Serbs, Croats and Moslems due to be implemented by a 60,000 NATO force, emphasis is being placed on reconstructing the country's economy and returning life to normal in the hope that further conflict can be avoided.

Britain has contributed some 300 million pounds of aid to Bosnia over the last 44 months of war. Relief aid has covered a wide range of areas from engineering works to Sarajevo's battered utilities such as gas and water in addition to medical help, shelter and reconstruction.

World Bank Unveils First Financial Package

AU1612201695 Paris AFP in English
2004 GMT 16 Dec 95

[FBIS Transcribed Text] Sarajevo, Dec 16 (AFP) — World Bank officials announced their first financial package for war-ravaged Bosnia Saturday, part of international efforts to build on the peace accord signed earlier in the week.

Michel Noel, the World Bank's chief in Central Europe, said the Emergency Recovery Project would amount to about 100 million dollars and would be co-financed by the bank and donors.

Noel, who led the team, has been in Sarajevo meeting government officials for the past week to prepare the emergency package.

The project, Noel told reporters, would be provided "on highly concessional terms and help meet priority need for economic recovery in three areas."

These, the banker said, were the work of key government insitutions, "jump-starting" production of medium and small business through lines of credit, and giving "minimum income support" for the most disadvantaged groups in Bosnia's Moslem-Croat federation.

The World Bank hopes to spend 500 million dollars rebuilding Bosnia in the first three months of 1996 as the country's new peace accord, formally signed in Paris on Thursday, begins to take shape on the ground.

Over the next three years, however, 5.1 billion dollars are to be invested in the country, Faruk Smailbegovic, minister for energy, said Saturday.

The bulk of this, 3.7 billion dollars, will go the federation, the rest (1.4 billion U.S. dollars) will go to rebel Serbs whose self-declared republic will control approximately half of the country's territory under the peace accord.

"The government's view is that the emergency funding should be made through donations and in cash," Smailbegovic said, adding: "The fund will be spent in accordance with the priorities of the government."

Deputy Minister on Implications of FRY Recognition

AU1512165895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 15 Dec 95

[Interview with Vladislav Pogarcic, deputy foreign minister of the Republic and the Federation of Bosnia-Herzegovina, by Fuad Cibukcic on 15 December; place not given — recorded]

[FBIS Translated Text] At the Paris peace conference the foreign ministers of the Republic of Bosnia-Herzegovina and the FRY, Muhamed Sacirbegovic and Milan Milutinovic respectively, exchanged letters of accreditation and made the mutual recognition of the two countries official. This was the news carried by almost all the world's news agencies after the ceremony at the Elysee Palace.

Our colleague Fuad Cibukcic wanted to find out more about this, and here is what he noted in a conversation with Vladislav Pogarcic, deputy foreign minister of the Republic and the Federation of Bosnia-Herzegovina.

[Cibukcic] The agreement on the mutual recognition of Bosnia-Herzegovina and the FRY was signed in Paris yesterday. Mr. Pogarcic, what does this recognition specifically mean for Bosnia-Herzegovina?

[Pogarcic] It means that the FRY, that is, Serbia and Montenegro, has de facto recognized the sovereign and independent state of Bosnia-Herzegovina, but, I am afraid, nothing more at this moment. The recognition as such has numerous implications, ranging from the purely legal to those of a political nature. Only future events will show to what extent these legal and political implications will indeed lead to concrete recognition.

In diplomatic practice, this implies a situation in which one state recognizes the international legal status of another country and vice versa. This does not mean that the two countries that recognize each other will establish diplomatic relations. This is a matter for a further political process based on the provisions of the Dayton agreement that was signed in Paris yesterday.

All the next diplomatic steps, in other words, the establishment of mutual diplomatic relations at a certain level, will depend on the sincerity with which this political settlement is approached.

[Cibukcic] Does this mean that we can soon expect to see the exchange of ambassadors and the opening of consular offices in Sarajevo and Belgrade?

[Pogarcic] From my current position, it is very difficult to give any schedules concerning the next diplomatic activities. I do not know all the details and cannot give you a precise date when diplomatic relations are to be established.

However, in diplomatic practice there are situations in which the countries recognize each other but the establishment of diplomatic relations at a certain level comes significantly after the mutual recognition. This is also the case with Bosnia-Herzegovina and many other countries. We have recognized each other, but have not established diplomatic relations with them yet.

From my current official position I will certainly welcome any normalization of our relations that would form the fundamental precondition for establishing certain diplomatic relations, especially because these two countries, Bosnia-Herzegovina and the FRY, that is, Serbia and Montenegro, have numerous practical problems that need to be solved. These problems render it necessary to set up certain diplomatic-consular offices as soon as possible.

[Cibukcic] Can we then say that the signing of the document on mutual recognition by the two ministers has put an end to the project of a greater Serbia and the demands of the Pale regime to join the Serb entity to the FRY?

[Pogarcic] One could say that, even though this does not have to mean, in the formal sense, the final extinguishing of the grand imperial projects devised in Belgrade. As you know, Bosnia-Herzegovina was a sovereign and independent state recognized by dozens of countries in the world, but this was no obstacle to the Belgrade regime to start and continue aggression on Bosnia-Herzegovina.

In the political sense, in this new Bosnia-Herzegovina context, that is, Bosnia-Herzegovina as a sovereign and an independent state of the federal type, made up of two parts, the Serb Republic and the Federation of Bosnia-Herzegovina, was evidently a political context that has allowed Belgrade to formalize its recognition. It still remains to be seen from the specific behavior of the politicians in Serbia or the FRY whether this formalization will lead a dramatic abouttum in the political concept, too.

[Cibukcic] The FRY without the words so-called any more?

[Pogarcic] Correct.

NATO Military Envoy: Zagreb 'Serious Partner'

AU1812190595 Split SLOBODNA DALMACIJA in Serbo-Croatian 12 Dec 95 p 7

[Interview with Staff Brigadier Marin Ante Pivcevic, first military representative of the Republic of Croatia at NATO headquarters, by Marin Galic in Zagreb, date not given: "Croatia Can No Longer Be Written Off or Neglected"]

[FBIS Translated Text] Since the first shells started to destroy Croatia, and then Bosnia-Herzegovina, in many talks people have mentioned the strongest military alliance — NATO — as the salutary force that could preserve the existence of both Croatia and Bosnia. It has not helped Croatia, and it left indications that it could react efficiently to the aggression in Bosnia.

Croatia will soon be sending its first military representative to NATO headquarters. For this diplomatic and military duty, Staff Brigadier Marin Ante Pivcevic has been chosen. He is a 32-year-old Army officer who early in 1991 joined the Ministry of Defense, and participated in the building of the Croatian Army and defense of Croatia.

He has spent last five years on different tasks in the Ministry of Defense, like the control and participation in the military actions from Slavonia to Herzegovina, and participation in various diplomatic contacts (the first Croatian officer in the United States).

A year ago he became assistant to the head of the Military Cabinet of the President of the Republic, and he is one of the authors of the Law on Service in the Armed Forces. He speaks English well, and he can also speak French, Italian, and German.

[Galic] Why is Croatia now sending a military representative to NATO?

[Pivcevic] Apart from the security of Croatia in the military sense, by building its army, the sovereignty of a state is also provided for by diplomatic means, various international agreements, and economic, political, and military alliances.

This, naturally, does not mean that we will immediately run under the shelter of the EU, NATO, or some similar alliance, but it is logical that we will, after the liberation of our country is over, try to affirm the position of our country in that sense. Therefore it is not disputable why exactly now, particularly now that we are preparing to establish the sovereignty of the Republic of Croatia in its whole territory. Croatia has had diplomatic representatives in Brussels for a long time already; now we are only "reinforcing."

Partnership for Peace

[Galic] What is the position of Croatia, what are NATO's views on Croatia?

[Pivcevic] NATO is not only a military alliance, although it is usually considered thus. First of all, it is a political alliance that has also got its military part, which is the best known, but its significance lies in uniting defensively and politically (alliance), and in every such alliance the army plays the key role. With the disintegration of the Warsaw Pact, NATO remained almost the only firm defense alliance that protects the interests of fourteen western European countries, and Canada and the United States on the other side of the Atlantic.

So, that is a group of countries that have mutually bound themselves to protect one another's sovereignty. In simple words — in the event of an aggression on any of these countries, the others run to assist the victim.

When the Warsaw Pact disappeared, the counterbalance because of which NATO was founded also disappeared, so that now, in the new circumstances, new ways for it to function are being discovered in order to maintain NATO as the decisive factor of peace and stability in the whole of Europe, not only in its western part.

One of those activities is the Partnership for Peace program, by which NATO tries to accommodate certain ex-members of the Warsaw Pact.

Croatia has not been offered an opportunity to join a program like the Partnership for Peace, first of all because we are still in a certain sense at war, more precisely because we still do not control the whole territory of our state, and thereby we do not provide sovereignty in the whole territory, which is one of the crucial conditions for joining or being associated with the Partnership for Peace, or indeed NATO itself. Until that question is resolved, Croatia will not be offered access to any of the NATO programs.

Slovenia, for example, has been enabled to participate in the Partnership for Peace because it does not have a problem like the one Croatia has. Slovenia has certain disagreements with Croatia regarding certain border areas, but when Slovenia joined the Partnership, it bound itself to solve all disputes peacefully.

Serious Partner

[Galic] Let the United States get back on the previous question. What is Croatia's position in the world today, after four major military operations?

[Pivcevic] By those operations we have shown that we can achieve our objectives on our own, without anybody's help, and that thereby we are respectable potential partners, and that Croatia can neither be written off or neglected, but that one must look at it as on the main and unavoidable factor of peace in this region.

[Galic] Is that Croatia's opinion, or are we talking about the view of other countries?

[Pivcevic] This is a realistic fact. Of course, some countries have realized that before others, some realized that after others, but if we take a look at what has been happening in the last four years, we can see that the attitude of many countries toward Croatia has changed, and is still changing. It seems that today it is only a question of time, some countries are faster, some countries are slower, but certainly we are going toward a position when all the countries in Europe will look on us as a serious partner who knows what he talks about, who knows what he wants, and who knows where he is going.

Of course, we have good relations with the United States, there are many European partners, and even relations with France are improving. I think that we can say that in the present relations with Croatia there is a higher degree of understanding, today the stands and opinion of Croatia are listened to, considered, more attention is being paid to us. In the beginning, at the time of the creation of the Croatian state, we were often in the position that nobody listened to us, we were ignored, regardless of what we were saying and in what circumstances.

[Galic] What impact do events like Varivode, arson, and plunder have on the Croatia's rating as a big or small military power and state? Many institutions' reports say that it is about several thousands burnt houses, then violations of human rights in the liberated territories, committed by people wearing the Croatian emblem and Croatian Army insignia on their uniforms, and the indictments from The Hague — such events make possible the conclusion that the Croats are a nation ready to make war, but not to respect the rights of their enemy and the defeated, do they not?

[Pivcevic] Regardless of the time, similar things also happen in towns far away from the front lines. In all Croatian town, from time to time, it happens that somebody, a psychically disturbed person, commits a crime. The same thing happened in Varivode, and why should we treat that case differently. The problem is that the whole of that area is under a public magnifying glass of the public, of different organizations and associations, and whatever happens there, various qualifications and labels are given to an event.

This, of course, does not excuse the perpetrators of the crime, and the Croatian state has, as it is known, reacted promptly, so that a large number of persons have been arrested and a large number of investigation procedures have been instigated, and the results will soon be published. The Croatian state will not tolerate any and anyone's lawlessness in its own territory, because it is a rule-of-law state.

Regarding the indictments from The Hague accusing Croats, we could call this one more form of pressure to sign the Dayton agreement, that is, an attempt to share responsibility between the victim and the aggressor so that the agreement on the 51:49 percent demarcation could be justified more easily.

Membership Is Not an Objective

[Galic] We have mentioned the Partnership for Peace, which Croatia does not belong to. Does Croatia lean toward the Partnership, and what would the association with NATO mean to Croatia, particularly now when it is expected that several thousand NATO troops will be in Croatia and Bosnia-Herzegovina?

[Pivcevic] The very act of belonging to the NATO alliance, either through the Partnership, or in some other way, is not an objective in itself. One should consider what this partnership brings both privileges and duties. All these options will, of course, be closely observed. However, it is beyond dispute that Croatia wants to be recognized as the key factor in this region, as the factor without which nothing important can happen. It also wants to be recognized as a country that is resolved to defend its sovereignty and its interests, and as a country to which peace and stability in the region are the main objective, because that is the basic precondition of prosperity and welfare.

If joining the Partnership will facilitate achievement of the Croatia's strategic interests, that is, the accomplishment of its interests, then Croatia will certainly join that program in the foreseeable future.

[Galic] Could it happen that one of the countries that were negotiating in Ohio will soon be admitted as a full member? Slovenia has joined the Partnership, Macedonia has done the same recently...

[Pivcevic] I doubt that any of the countries of eastern Europe will join the NATO alliance in the foreseeable future, apart from the countries that have otherwise, by their orientation, belonged to the West, like Sweden, Finland, or Austria. It is not likely for all the others, that is, they will have to prove themselves through the Partnership, and that will not be so soon.

The countries that have been involved in a permanent conflict in one way or another cannot acquire membership in the Alliance, where they would continue the conflicts under its shelter. If we take, for instance, the situation in which Serbia and Croatia would become members, then, in the event of anyone's attacking Serbia, Croatia would have to send its soldiers to help Serbia. That would be rather absurd at this moment or in the near future.

On the other hand, joining any kind of alliance at all costs is not in Croatia's interest at this time. I am thinking of both economic, political, as well as military alliances. I repeat one more time, those are not our objectives in themselves. We are talking about possible methods of realizing our interests, but mere membership is certainly not our objective.

Military Representative

[Galic] What is the significance of the military representative in NATO?

[Pivcevic] There is a difference between a military attache and a military representative. NATO member states have their military attaches, and they are simply a part of a diplomatic team that could consist of several hundred persons. Since Croatia is not a member, it has its diplomatic representative for Benelux, Ambassador Baron Vranyczany, so it automatically has a representative with NATO. So it is with the military representative. It is the task of the military representative to present the positions of the Republic of Croatia, exchange opinions, explain reasons, advocate interests, all regarding military issues. That is the person who mediates in the organization of, for instance, military meetings of certain countries, who "softens" communication, simply, it is a liaison officer in any regard. In our case, beside all things mentioned, it is my duty to assist Ambassador Vranyczany, to be his right hand, particularly in case Croatia approaches some military association, as well as in the preparations for possible joining.

Commentary Views Bosnia as 'Protectorate'

AU1812165095 Zagreb VJESNIK in Serbo-Croatian 12 Dec 95 p 5

[Commentary by Ivo Jakovljevic: "The Reconstruction of Bosnia-Herzegovina and Croatian Interests"]

[FBIS Translated Text] After the Dayton agreement and the international conference on the implementation of peace which has just finished in London, finally (although it may sound unusual, and perhaps even too rosy, in many people's opinion) one can make a conclusion with some justification: The post-war reconstruction of Bosnia-Herzegovina is starting. It is a comprehensive and multilateral international project, which could, in a year or two, become the strongest impetus for a new Croatian development cycle! Therefore, after the London, and before the Brussels summit, the reconstruction of neighboring Bosnia-Herzegovina can be considered a first-class business challenge for the whole Croatian economy.

If all the creators of the Dayton agreement, the London project, and the upcoming Paris peace conference will stick to the obligations set, the post-war reconstruction of Bosnia-Herzegovina will be a real economic miracle, unprecedented in the whole world history. The Western powers have decided to reconstruct this completely destroyed economy, with more than a million displaced citizens and several hundred thousand lightly or seriously wounded in the three bloody years of war and external aggression. Moreover, it is a country covered with hundreds of thousands of mines. The West has decided to reconstruct this region both as a state, and as a country, and as an economy, morover, an open and market-oriented type of economy. In what way? When all the decisions from Dayton to London so far are translated into a more intelligible language, one can see that the international community, in fact a group of the most developed Western countries headed by the United States and the leaders of the European Union, intends to reconstruct Bosnia- Herzegovina under a firm international protectorate. This protectorate would serve like a framework within which the destroyed country would have to become a reconstructed and progressive economy and an efficient law-governed state in a certain period of time.

Protectorate Without Precedent in History

This kind of protectorate, meanwhile, the world has never seen: Prior to this, throughout history there have been various similar arrangements, starting from the vassal states in the Middle Ages to the traditional protectorates in the age of colonialism. In all the protectorates so far, the objective was more or less prosaic: to establish one's real and military power over a certain area, in order to extract raw materials or cheaper labor from it (in a softer legal regime), on the basis of which the ruling country prospered. However, the protectorate over Bosnia obviously is not that.

I would like to remind that protectorate (in Latin: protegere — to protect, shelter, cover) originally means protection for and defense of someone, patronage, support, or help. In international law protectorate has always been and is the patronage of the stronger over the weaker, formal authority of some power over the area of some smaller country, and a form of dependence imposed by the stronger country on the weaker one; in many cases protectorate is simply a second, softer name for occupation. The protectorate over Bosnia-Herzegovina, although it will be based upon a multilayered international agreement, can in no way be compared either with already a bit forgotten colonial arrangements, or with the cases of vassal relationship, in which relation, for instance, Serbia had been toward Turkey in the major part of the nineteenth century, or with a model of occupation of any kind, as well as with the examples of Andorra, San Marino, or Monaco, in relation to their contemporary patrons from Western Europe. Bosnia-Herzegovina has been and remained something else, particular, so that here we are talking about an almost charitable, humanitarian type of international protectorate, through which the territory of the internationally recognized state of Bosnia-Herzegovina, with the assistance of the military force of NATO, and based upon the London agreement, tries to universally reconstruct that state "as undivided, with two entities."

Under a firm international protectorate, Bosnia-Herzegovina will — it is planned — get a new constitution, the first post-war elections, at least $6 billion of capital in the next five years, the necessary humanitarian and social help, and versatile technical assistance in the creation of a rule-of-law and social state, public order, market economy, state statistics, payment system, and so on. Thus, from the West to Bosnia, the main references will arrive how to manage economic policy, how to balance the government's budget, how to universally reconstruct the country, and not only how to pacify it, how to clear it of mines, or how to carry out demobilization.

From Bosnia-Herzegovina, which will within this framework start its new development, the Western partners will not exploit God knows what direct economic profit. They will not be able to get oil from Bosnia, nor gold, nor will they find some kind of a huge new market for their products there, but they will — if they succeed — free themselves and the world for a longer period of time from the fear of a new Balkan or world war. And that is the whole special quality of this complex international arrangement. And, in that case, what is the main Croatian interest?

Distributed Roles

Croatia, after everything, does not need to have any illusions that its reconstruction is going to be a Western priority. On the contrary, those abroad think of the reconstruction of Croatia only in terms of plans for the return of the population to the former Sectors North, East, and South. Therefore, the Western partners have pretty closely distributed their roles in the reconstruction of Bosnia-Herzegovina: The French are interested in participating in the reconstruction of the electric energy system, the British in the telecommunications projects, the Italians in many industrial activities, the Germans for engineering industry and electronics.

Foreign capital will, therefore, on a larger scale, first of all come to Bosnia, and then this neighboring Bosnia-Herzegovina will appear to Croatia already next year as one of the most interesting markets and building sites.

Croatia can neither compete in Bosnia-Herzegovina with its capital (because Croatia itself has to import it), nor with its own technology (because in many fields it still has to start its own modernization), but it can very well go into the ring with its experts and workers, particularly after the first waves of large- scale demobilization. Croatian construction enterprises, transportation companies, trade companies, food and textile industry, as well as numerous experts as "freelancers" must find their special opportunity in the reconstruction of Bosnia- Herzegovina.

Croatian Calculations

After all, Croatian strategic interest number one is a reconstructed, open, and profitable Bosnia-Herzegovina economy, not only as a neighboring market under a firm international protectorate, but also as a first-class partner in a wider economic and political project of a joint "return to Europe." Along with a lasting peace in Bosnia, Croatia's economic rating in the world will increase, a large-scale return of the refugees to all the parts of Bosnia-Herzegovina will significantly reduce the expenses of the Croatian government budget for refugees and the displaced, and through the growing dynamism of the Bosnia-Herzegovina economy, a new and attractive market for Croatian products will open in the immediate neighborhood. Thus, with strong arguments we can count that the reconstruction of Bosnia-Herzegovina will be one of the most influential levers in the reconstruction of the Croatian economy, so that, as time passes, companies from both countries, particularly from the Bosniak-Croatian Federation, depending upon individual cases, will go together into big business in foreign trade and into the Western market.

Therefore, many Croatian companies must get prepared as early as today for the approaching business bid invitations in Bosnia- Herzegovina.

Commentary Views SFRY Succession Issues

AU1512154695 Split SLOBODNA DALMACIJA in Serbo-Croatian 1 Dec 95 p 5

[Commentary by Bruno Lopandic: "The Yugo-Dowry and Prevlaka Upset the Slovenes"]

[FBIS Translated Text] A meeting between Slovene Foreign Minister Zoran Thaler and Croatian Foreign

Minister Dr. Mate Granic, which was arranged at very short notice and ended on Wednesday night [29 November] in Bezanec Castle near Krapina, was supposed to answer the question of what was to happen with the problem of the right of succession of the property of the late Yugoslavia. Minister Thaler wanted to hear from the Croatian foreign minister personally whether Presidents Tudjman and Milosevic had arranged something in Dayton that would be at the expense of the other countries claiming the right to succession: Slovenia, Bosnia-Herzegovina, and Macedonia [The Former Yugoslav Republic of Macedonia — FYROM]. This urgent meeting was arranged at the request of the Slovene side.

Slovene sources say that the reason for such a hasty search for answers, as well as for the overall anger, lies in a document called the Agreement on the Normalization of Relations Between the Republic of Croatia and the FRY, the contents of which are familiar to the public. The document says that Presidents Tudjman and Milosevic had agreed on the issues concerning the normalization of relations as early as in Dayton, though the document was supposed to remain secret until the Paris conference. Point four is the one that will cause the most confusion and probably the most indignation: It says that the Republic of Croatia will recognize the FRY's uninterrupted state continuity! The point says the following: "With respect to the historical fact of the legality of the states of Serbia and Montenegro from before Yugoslavia was created, and in that Yugoslavia took over the international subjectivity and legality from Serbia and Montenegro, the Republic of Croatia recognizes the state continuity of the Federal Republic of Yugoslavia." There then follows a sentence that says that the recognition of continuity "will not influence the issue of succession, in accordance with the resolutions of the International Conference on Former Yugoslavia."

The Discord Agreement

Though this agreement will cause many arguments among lawyers and politicians, it is quite certain, many analysts believe, that with this act Croatia has seriously questioned its rights in the division of the property of the former Yugoslavia. These relate primarily to federal currency reserves, the movable and immovable property of the Yugoslav People's Army, the property of the federal customs service, the property of the National Bank, loan rights, and the clearing balance that third countries owed former Yugoslavia.

Ignoring the findings of the Badinter Commission [set up to determine which states of the former SFRY should be recognized], Serbian policy has claimed all along that Slovenia and Croatia had carried out a violent and unilateral secession and that they should, as such, be denied the right to succession. It is precisely this thesis on its own right to the continuity of statehood that Serbia has used in trying to have the property of the former Yugoslavia abroad put at its disposal and this is precisely what was worrying the Slovene foreign minister, who, on his own initiative, demanded the meeting with Dr. Mate Granic. We have learned from diplomatic circles close to the Slovene delegation that concern was also expressed behind closed doors about stories of Croatia ceding Prevlaka to Yugoslavia. The Slovenes wondered what would happen with the Croatian-Slovene negotiations over Piran Bay in that case.

The representatives of Croatia, Slovenia, Bosnia-Herzegovina, and Macedonia for succession also met on Wednesday in Ljubljana, at the request of the Slovenes, to agree upon a joint strategy concerning the issue of protecting the property of the former Yugoslavia. Zoran Thaler emphasized in Ljubljana, as he did after the meeting with Dr. Granic, that the succession issue should be resolved separately from the peace process, in order for an equal position to be provided for all the successor countries. Slovene sources believe that it was precisely the agreement on the normalization of relations between Croatia and the FRY that seriously endangered that basis. A Slovene diplomat, who asked to remain anonymous, told us that Slovenia had launched a fierce campaign to make it impossible for Yugoslavia to draw out currency reserves to use for its own benefit. We have sent 90 letters to the banks holding the funds of the former state, while Croatia is being much more passive, said our source.

Namely, owing to the sanctions that were until recently imposed on Belgrade, these funds were frozen. The sanctions were suspended by a UN Security Council resolution, whose points five and six speak about unfreezing the property of the former Yugoslavia. This fact provides enough room for various legal formulations by Security Council members. What is specifically to happen to the frozen financial property of the former Yugoslavia depends on the individual policies of business banks and on the recommendations of their central offices. According to some unconfirmed reports, which the Slovene media have carried, international financial circles think that the financial property of the country that has disappeared should be transferred to an account at a British bank. However, it is common knowledge that it was precisely Britain that pointed out that, in accordance with British law, the frozen currency property of the former SFRY can only remain under blockade if court proceedings and the appropriate legal procedures are initiated. The route from this procedure to a decision to continue the freezing of the funds of the former Yugoslavia is not a fast one.

A Dangerous Continuity

To go back now, what results were there from the meeting between Dr. Mate Granic and Zoran Thaler in Bezanec? After the meeting, which was supposed to remain a secret from the media, the two foreign ministers announced that Croatia and Slovenia firmly remained of the opinion that Croatia, Slovenia, Bosnia-Herzegovina, and Macedonia should cooperate. Minister Thaler said that any revision of the succession was out of the question and that failure to resolve this issue might cause instability. In response to that, Dr. Granic stated the Croatian position, which is that the findings of the Badinter Commission on the equal rights of all the countries of the former Yugoslavia to succession will be respected, though "Croatia has no objection to the continuity of the FRY in international organizations." It was because of this exceptionally important issue that it was decided at the meeting that before the signing in Paris the Croatian, Slovenian, Macedonian, and Bosnia- Herzegovina delegations for succession would hold talks, which representatives of the Contact Group would also attend.

At any rate, many consider the issue of the agreement on the normalization of relations between Croatia and the FRY, as well as the delicate issue of Croatia's recognition of FRY's state continuity, contained in point four, rather dangerous. It will soon become clear whether the possibility arises with this document for the Serbs to win the battle on the succession issue. Namely, the issue is not only the findings of the Badinter Commission that the SFRY had ceased to exist and that the FRY could not automatically take over its membership in the UN; UN Security Council Resolution 777 states the same thing. Croatia is thus the first and only one, for the time being, that intends to accept and recognize this continuity through a document on the normalization of relations with the FRY, thus objectively denying the findings of the Badinter Commission and UN Security Council Resolution 777, by declaring itself a secessionist. It seems that the solution to the issue of succession is still to follow.

Commentary Warns of Developments in FRY Relations

AU1512160895 Rijeka NOVI LIST in Serbo-Croatian 1 Dec 95 p 6

[Commentary by Drazen Vukov-Colic: "Never Say Never"]

[FBIS Translated Text] Will guests from Belgrade and the rest of Serbia be occupying at least some of the hotels on the Adriatic (many of whom have still not forgotten the beautiful "winters in Opatija") as early as next January? Will "genuine Uzice kajmak" [Serbian dairy product] be appearing on the Zagreb market within a month? Will Josip Kras [Zagreb food company] be reopening its candy store on the Terazije [in Belgrade]? Is it almost certain that before spring is over Partizan [Belgrade basketball club] will be Cibona's [Zagreb basketball club] guest, and Balasevic's and Bajaga's [Serbian singers] records will be appearing in Rijeka's record shops? Will HRVATSKO SLOVO be sold at POLITIKA kiosks and the Croatian National Theater operatic choir be performing Nikola Subic Zrinski [Croatian opera] in Kragujevac? Is it possible that Ina [Croatian oil company] will conclude a "cooperation" agreement with the hungry Jugopetrol [Serbian oil company] and will JAT [Serbian airline] return to Zagreb airport within such a short time? Will "the third" Yugoslavia be appearing at the Zagreb International Fair next autumn as a "partner country," and will the Serbian Academy of Sciences and Arts be staging a distinguished international symposium entitled "The Balkans: A Zone of Cooperation and Peace"?

Naturally, some things will not happen so soon, but it is already certain that only those who have answered most of these questions with a firm yes will have displayed "historical prudence" in this new time of great political and diplomatic changes. Only something completely unexpected could delay the signing of the "Agreement on the Complete Normalization of Relations Between Belgrade and Zagreb," in which, as the irrepressible and excellently informed GLOBUS has discovered, the opening of embassies, the re-establishment of air, rail, and river traffic, telephone and postal communications, and the oil pipeline between Croatia and Yugoslavia are all expected to be implemented within 14 days of Milosevic and Tudjman's signatures in Versailles. Since mutual recognition in the Paris suburb is supposed to take place as early as on the 14 December, the citizens of Croatia, Serbia, and Montenegro will be able to congratulate one another on the final exchange of great peace-making gifts as early as the New Year holidays — at least by telephone — regardless of the fact that on both sides the gifts will look so insulting and unacceptable that they will keep one clenched fist in their sweaty pocket and use the other hand to hold the trembling nose.

However, since Dayton even the Croatian public has started to realize that nothing is impossible, and that never should never be said to anything, even when one has to count on police truncheons across the backs of displaced persons from Posavina in front of parliament, in which the majority party again decided that the things done would not be discussed until they were finally and irrevocably done. This shocked enchantment has spread beyond the borders: The panicky Slovenes were taking Mate Granic to task for some Croatian decisions even before the Croatian public had learned about them, and this conspiracy-like official silence is becoming an increasingly frequent rule.

Naturally, after the highly ambiguous explanations for the lifting of the sanctions against Belgrade, the Slovenes have not been happy about the Croat-Serb agreement uncomfortably renewing the general issues of the division of the joint post-Yugoslav heritage, and thus also the reevaluation of relations between the aggressor and the victim, the final war truth, and future international rights, so Mate Granic again has to explain that virtually nothing has happened, though almost everything has changed again.

As GLOBUS reveals, the issue is item four, under which "Croatia recognizes the state continuity of the FRY," though that "will have no influence on the issues of succession." In practice, one rules out the other, but since in Dayton Tudjman remained silent (could he have done otherwise?) about Milosevic's public assessment that all this blood had been shed in a "civil war," while the agreement only talks about some "international solutions" that are still unknown and uncertain, there is no need to be surprised that the Slovene foreign minister asked for an urgent meeting with his Croatian counterpart: As things have been developing, it could happen that neither Croatia nor anyone else gets a single cent of the former joint $8 billion, in which the victims may even be accused of provoking the war in the role of "violent secessionists."

To Slovenia, which has secretly been enjoying abundant trade with Belgrade, this is the last issue in the breaking off of Yugo-ties, and to Croatia it is only one of the many that had to be skipped or avoided finally to get Belgrade to recognize its territorial integrity. We cannot, therefore, talk about the same kind of nervousness. However, the nervousness in Croatia can increase even more, since in this agreement, apart from the mutual recognition of international borders, there also arises the possibility of "exchange of territory by consent," and it seems that Prevlaka may already be lost, as is perhaps Ilok, or something of the kind. Croatia is therefore about to face days in which it will have to put on the act of threatening strictness at home, while being even more yielding before the world, since, in the welcome untangling of the war, it is with increasing awkwardness becoming entangled in the kind of peace-making politics the greater part of which it had proclaimed impossible, unjust, and dishonorable even before the recent election.

Tudjman-Church Relations 'More Than Chilled'

AU1812133495 Rijeka NOVI LIST in Serbo-Croatian 9 Dec 95 p 11

[Commentary by Drago Pilsel: "Democroacia: Is President Tudjman Becoming Most Unpopular Croat?"]

[FBIS Translated Text] In one of his sermons on which SLOBODNA DALMACIJA reported on 30 November, Msgr. Ratko Peric, bishop of Mostar-Duvno and manager of Trebinje-Mrkanj bishopric, was talking about the Dayton agreement, and asked himself to what extent this agreement was fair, feasible, and lasting. He admitted that nobody asked anybody in the Church, particularly regarding the internal "iron borders," because had any of the bishops been asked, "and had anything been listened to," he "would never give his vote for such lines of witchcraft." Because, as Bishop Peric says, the lines have been drawn respecting the total Balkan ethnic cleansing, all forceful movements, all persecutions, all rapes and murders, by giving the until yesterday almost pure ethnic area to the opposite, enemy side.

The bishop asks himself if that was done in order to let the "cleaners" finish their job? He even remembers that the former communist authorities invited Dr. Don Bozo Milanovic to say the opinion of the local Church regarding Istria after the Second World War, and that at the peace conference in Paris in 1946, the evidence and words of Istrian clergy were taken into consideration.

"Great Victory" Sacrifice of Half a Million Catholics

The Croatian president, Dr. Franjo Tudjman, has not taken into consideration this positive experience of Istrian partisans and communist authorities, or he skipped it on purpose. He continues to place the sacrifice of a half a million Catholics into his thesis that, after Dayton, Croatia has been a "great victor." He did not, as one of the crucial persons of the contemporary world and domestic political elite, find it necessary to ask anybody and consult anybody from the responsible clerical circles. The supreme prelates openly admit that they even do not know what, in fact, was signed in Dayton, and, as Bishop Peric says, they particularly do not know what else the negotiators could sign. He himself says that the clerical views of this war (the aggressors, and not "civil" war, according to Milosevic, as Tudjman enthusiastically accepted in Dayton) in Bosnia-Herzegovina are known all over the world through a number of statements given by Croatian bishops, and that they have been brought to this, that "a just and lasting peace" is achieved under condition that they pass silently over the arrangements to give a reward for the aggression.

Cardinal Vinko Puljic, archbishop of Vrhbosnia, had used similar words, by having claimed in the same papers, two days earlier, that he felt like his congregation as if nobody wanted him, as if he did not exist. "Neither the Muslims in Bosnia want us, nor the international community, nor Croatia. We are simply guilty of being alive..." Cardinal Puljic's bitterness is not small also because, as he says, "there is no force, neither political, nor media, that would support the Croats in Bosnia, and our voice can hardly be heard in public." The cardinal admits that there are not only restrictions for him and for his congregation in Sarajevo Television, but also in Zagreb, "in Croatian Television, in which case those in power dose our appearances," Puljic categorically states.

Chill Between Kuharic and Tudjman

And regarding the Zagreb archbishop, it is a public secret that his relations with Croatian president have been more than chilled for a longer period of time. Many believers impatiently expect Cardinal Kuharic to appear in public, because in him they see the last defense against the total manipulation and more and more growing totalitarianism not only in the country but also in the town in which his residence dominates. Kuharic's writing desk is overfull of the protests of citizens, refugees, the poor, and of variously endangered people. The appeals to help incessantly arrive to his address. Some of them could easily be used if Spielberg continued to shoot "Schindler's List" a la Croat. Cardinal Kuharic's soul incessantly pleads with God for an infinite list of persons suffering the strikes of dishonest, immoral, and undemocratic personalities whose arrogance spreads over Tudjman's circus-state.

Catholic analysts admit that some people in the Church find it more difficult now that under Yugoslav communists, and common people, more and more frightened, only ask themselves to where this madness will take us all.

Walking Into the Theory of "Blood and Land"

The Croatian president walks deeper and deeper into the un-Christian furrows of an antihuman theory of "blood and land." On his last monthly news conference, we heard one more time about his efforts to establish the independent and sovereign Croatia "in its historical and ethnic territories" (VJESNIK 2 December 1995, p 3), and about his understanding of "what is the ethnic and territorial interest" (from the same source). By scandalous brutality, Tudjman calls the inhabitants of [Bosnian] Posavina cowards. Obviously, without realizing that he is denying his own words, Tudjman sends a message to the inhabitants of Posavina, which speaks of the "reality" everybody must accept "at the end of any war," and he puts the situation in Posavina and the acceptance of "that reality" into the context of one of the questions he has heard in Dayton: "If you do not want to recognize the results and the consequences of the war in Bosnian Posavina, do you give up the results you have achieved in Croatia, on the whole?"

The inhabitants of Posavina had finally, before they saw the brilliant, but late interview with Ivo Komsic in our paper, realized one of the important reasons of their misfortune. Tudjman's decision is to maintain the results of the war in Croatia, particularly the result subsequent to Operation Storm. President Tudjman has once again confirmed his participation in the Balkan "human resettlement," and he said that in case of "different solution" (see: Posavina to the autochtonous inhabitants of Posavina), the Serbs from Croatia "should be allowed to return."

President's Numerical Gems

Among the president's other gems, which have made Catholics sick, there is his interpretation of the comparative strength of the ethnic groups in Bosnian Posavina. His figures can be accepted by neither key, nor by the possibility that he, at the news conference, had the map of the Banovina of Croatia in his mind. If he — or anyone from his office — is not satisfied with this article, I will gladly enable him to get in touch with the people who read clerical and land registers, and it would be much easier for him, when he ignores Catholic priests, to check for himself the census from 1991, or the one before it. There he will see that Bosnian Posavina was not divided in thirds between the Croats, the Serbs, and the Muslims, but that among many ethnic groups present there (about his own ancestors he will write some other time), there were 60 percent Croats, while there were some 15 percent Muslims, and some 20 percent Serbs, bearing in mind that the church registers mention 163,000 Catholics at the beginning of the Serb aggression.

"We have returned Mrkonjic Grad and Sipovo," President Tudjman said, and the inhabitants of Posavina and the Croats of Bosnia-Herzegovina hastened once again to check the figures and tried to understand what kind of return or liberation this is about. We have tried that, too. Thus, in the returned Sipovo, before the aggression there were 33 Croats which made 0.2 percent of the population of the municipality. In Bosanski Petrovac there were 45 Croats, or 0.3 percent of the population, and in T. [Titov] Drvar there were 34 Croats, also some 0.2 percent of the population. You will agree that neither even 184 Croats of Glamoc (1.5 percent), 219 of B. [Bosansko] Grahovo (2.6 percent), nor 7.8 percent of the inhabitants of Mrkonjic Grad is impossible to use in any serious environment as grounds for talking about the liberation or "return."

It is possible, obviously, only to President Tudjman.

Sliding Into Cruel Reality

You must be certainly asking yourself how Tudjman will manage to finish his mandate in peace, when he acquires serious opponents not only among the politicians, but also in the wider layers of the population, particularly when the population will soon face the consequences of a disastrous economic situation in which we find ourselves, and when the independent intellectuals, the majority of the independent journalists of Europe, and every at least a bit informed businessman turn their backs on him? How is he going to convince clerical authorities that they speak up at the certain moment in order to calm down the growing tensions among the people when many, unfortunately, do not hide that domestic reserves of flour and ammunition are being created? And who has given you a guarantee that Tudjman will finish his mandate in peace? The new commander of NATO, or the chief of U.S. diplomacy? You can freely believe that. It is my duty to remind you that it is precisely the Americans who have the largest world experience in supporting dictators in the name of some kind of international stability. Who is capable of denying the possibility of a Latin American totalitarian model of authority, even with the Marines in Zagreb, without being denied by the cruel reality into which we are sliding? Yes, I did not think of those brains from the party in power. We have already heard them, unfortunately, and understood too late. Yes, perhaps not everybody.

One Will Have to Resurrect

Aware of the truth that God neither determines the borders, nor does He initial or protocol "peace agreements," the Catholics in the Balkans, not only in Croatia and Bosnia-Herzegovina, are facing a big test of conscience and maturity. They will have to show the clear conscience and high morality of a Bishop Komarica, who in very grave circumstances, does not give up the condemnation of the Croats and the Bosniaks who destroy Mrkonjic Grad, which they have to return to the Serbs, and they will have to acquire necessary maturity which is a condition for Croatia to overcome the low morality and inconsistency of the political caste. This maturity is not necessary now when one passively observes Tudjman exercising the coup in Zagreb, and when one ignores it when recently the HDZ constituted the Jastrebarsko Municipal Assembly without the two-thirds majority, the very thing the HDZ challenges the opposition in the capital for, but it is necessary every day after the murder of Europe is confirmed in Paris. One will have to resurrect. One will have to believe in God. One will have to interpret John Paul II, and fight against hatred and the Nazi-fascist manners. Because they are hidden among the Catholics, too. I will talk about them next time. I will finish this report with a sentence uttered by Cardinal Puljic, from the interview in Sarajevo, at the middle of 1994. It shows that he was thinking cleverly, but also that his presentiments are coming true. "Those, who had to advocate the Croatian people in front of history, will be liable for its tragedy," he said then (GLOBUS 27 May 1994, p 44). The tragedy is already here. It is common to everyone, regardless of one's ethnic affiliation. When will we finally decide that we do not want to deepen this tragedy by our silence and by disregarding the basic evangelic truths and duties?

Army Reorganizing Along U.S. Military Lines

AU1512115595 Zagreb NACIONAL in Serbo-Croatian 8 Dec 95 p 2

[Report by Jasna Babic: "The Croatian Army Will Be Strengthened by the Formation of Divisions!"]

[FBIS Translated Text] For months now rumors have been coming from military circles that it is only a matter of time before General Zvonimir Cervenko is retired as chief of the General Staff of the Croatian Army. Although he had stated in the first issue of NACIONAL that President Tudjman had never had any problems with his work, and that he had read about his removal only in dubious newspaper articles, the rumors about Cervenko's retirement did not subside even after this statement.

However, this story makes sense only with the sensational story revealed to NACIONAL by sources close to the defense minister that it is precisely in these days that a scheme is being hatched for a new, peacetime organization of the Armed Forces of the Republic of Croatia. Indeed, Cervenko will soon cease to be the chief of the General Staff of the Croatian Army, but not because the supreme commander wants him to, but because the General Staff itself is to be abolished!

The current General Staff will be replaced by a new operative body at the head of the Croatian Army, called the Joint Staff. It will consist of the three chiefs of staff of the ground forces, the Air Force, and the Navy, and they will be subordinate to the fourth person, the chairman. It is assumed that the fourth man, the chairman, will be the supreme commander himself, namely President Franjo Tudjman.

Military Balance

The reorganization of the Croatian Armed Forces has been in preparation for quite a some time now by the appropriate departments at the Defense Ministry. It is the opinion of some that they began to work out models for the peacetime organization even before Operation Storm, which effectively demonstrated that at that time the outcome of the war as far as Croatia was concerned was already certain. The new system has reportedly been devised with massive assistance from U.S. military experts, the result of the famous agreement on military-technical cooperation between the Pentagon, or rather a professional organization of retired top U.S. Army officers, who have provided Croatia with advisory assistance, and the Croatian Defense Ministry, as signed by Gojko Susak before the television cameras. For this reason, it is even more understandable that the military organization of the U.S. Army has been taken as a model for the new organization of the Croatian Army. The organization and operations of the joint staff of the Croatian Army will be identical to the supreme body of the U.S. Army, namely the Joint Chiefs of Staff, which involves ground forces, the Air Force, and the Navy. The only difference is that the U.S. Joint Chiefs of Staff is not coordinated and led by a fourth man, that is, the president of the state, but rather by one of the members, who is designated as head of the Joint Chiefs of Staff.

In the Croatian Army the basic army formation will also be changed. Hitherto the basic unit has been the brigade, because the Croatian Army has relied heavily on the human potential, owing to circumstances, with a minimum of military equipment, hardly sufficient for the defense of a smaller area or for operations launched in several directions against equally well spread enemy forces. But under the new system, the basic formation will be the division, which indicates the considerably enlarged material-technical potential of the Croatian Armed Forces, which are being trained to take on more complex assaults or defensive operations over a much wider area and are able to concentrate considerable forces on the main prongs of an attack. Obviously, at least some of the aims of the Dayton peace negotiations are being put into practice here, based on the idea of a military balance between Serbia and Croatia as a precondition for peace in the Balkans.

New Organization

Of course, the U.S. model of army organization has not been strictly adopted by Croatia. Apparently, the U.S. experts have examined extremely carefully all Croatia's potentials and have adjusted the U.S. model to take account of some of the more obvious facts: that Croatia is much smaller than the United States, has a much smaller population, is poor, and at the same time is spending too much!

The Defense Ministry is said to have exceeded its budget long ago, partly because of Storm and partly because of an oversized military administration. For this reason, Zlatko Matesa, Croatia's new prime minister, is a frequent guest in Susak's office, where the two, behind closed doors, try finally to sort out the accounts of four years of uncontrolled and frequently indiscriminate spending.

It is enough to take a look at the so- called military restaurant in Kresimir Square during lunchtime, a huge canteen but still too small to accommodate the horde of secretaries and other clerks hanging around the offices of the Defense Ministry, who are getting paid and are also entitled to army apartments. The reorganization of the Croatian Armed Forces, therefore, also requires radical reorganization measures in the Defense Ministry at the same time.

To begin with, the number of its departments will be reduced; some will merge and some will be completely abolished. Instead of the current heads, most of whom are high-ranking army officers, the Defense Ministry's departments will be run by civilian staff. Unless an exception is made, this will mean that General Ivan Tolj, the current head of the Political Department, will have to seek a new position for himself within the political-military hierarchy. The active officer Matko Kakaridji, head of the Building Department, might also be released from this duty. A similar fate awaits Josip Juras: The new scheme does not anticipate having a deputy defense minister!

Of course, it is still not possible to get official confirmation of the new organization of the Armed Forces and the Defense Ministry of the Republic of Croatia. Military officials are rather reluctant to release information to the public and the only thing that they have told us is that the demobilization of 42,000 soldiers is under way. Their silence is understandable, because even the crudest sketch of military organization, hierarchy, or balance between authority and duty is regarded as a great secret. One of Gen. Tolj's assistants, Jozo Pupic, has given a strict warning to NACIONAL's journalists that by revealing information about the new organization, which he will not either confirm or deny, their anonymous sources have violated the Law on the Armed Forces. "The reorganization has not been completed yet," Pupic warns, and suggests that we should by all means make an official request to his boss and then patiently wait for his permission before we reveal everything that we know.

Still, despite the silence, the reorganization has already shaken up military and political circles. Moreover, it has claimed its first "victims." Brigadier Branko Borkovic, head of the Infantry Department and better known by his nickname "Little Hawk," which he earned as the last commander of the defense of Vukovar, has recently been relieved of duty. Rumors from the Defense Ministry say that his forced removal most probably has to do with the secret scheme of the new system. The official explanation is that his behavior was not fitting for the organization of the Croatian Army. Whether it is precisely this or a different formulation that was used, we could not find out from Borkovic.

Shifts, Dismissals...

In addition to pensioning off Cervenko, whose General Staff is being abolished, there are stories about the silent removal of Sveto Letica, the commander in chief of the Croatian Navy, to a well-deserved and dignified retirement. Frightened by the news of the new system, soldiers and army clerks are likely to count among its victims people who are not and cannot be such. They say that the new system has swallowed up first Gen. Slobodan Praljak, who has been put out to grass among civilians as the director of Chromos's Dyes and Varnishes. In the general tidying-up of the army and the Defense Ministry, rumors have it that Ante Roso, the erstwhile French legionnaire and former chief of the joint Croatian-Bosniak forces, is to take up the post of director of the Military Museum.

In this flood of news about shifts, dismissals, and retirements, one piece of information has finally appeared about a triumphant comeback in the Croatian Armed Forces. This concerns Gen. Vinko Vrbanac, who was suspended three months ago as head of the Operative Department to the General Staff of the Croatian Army, following a military action in northwestern Bosnia. Croatian viewers probably still remember an official statement broadcast on prime time news that an investigation was being undertaken to establish Vrbanac's responsibility for the deaths of many Croatian soldiers in a military operation at the Una River. Soon it became clear that the statement had been released too hastily. After a three-month investigation by the Counterintelligence Service of the Croatian Army, it was established that Gen. Vrbanac had not been responsible for the deaths of, as many say, 50 or so Croatian troops. Now his suspension has been lifted.

Ethnic Albanian PDPA Leader Wants Autonomy

AU1812144495 Skopje FOKUS in Macedonian 8 Dec 95 pp 4-10

[Interview with Mendu Thaci, deputy president of the Party for Democratic Prosperity of Albanians in Macedonia (PDPA), by Dragan Antonovski; place and date not given: "Macedonian Rulers Have Not Learned the Lesson of Tito's Aberrations"]

[FBIS Translated Text] [Antonovski] The announcements about the possible formation of parallel authority of the Albanians in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] generated many questions after your interview for Voice of America [VOA] Radio.

[Thaci] You say many questions, but it is a fact that there is a natural parallelism in Macedonia. Let us make this point clear: I do not know why we pretend not to know or why we want to hide the fact that this parallelism has existed in Macedonia for the last hundred years. Recently, the German foreign minister said that he knew Macedonia as a country with two ethnic groups. My statement for VOA was in the context that this natural parallelism must not be suffocated by the present government and that it should be taken into consideration. We are in favor of taking into consideration the Albanian particularity and we are not against the institutions.

[Antonovski] What Albanian particularity do you have in mind?

[Thaci] The Albanian particularity is in the territorial sense. We know that from Kumanovo up to Prespa another language is used parallel to the Macedonian—Albanian. The Albanians have a parallel culture, tradition, and history.

[Antonovski] Nobody denies the culture, the tradition, but does this mean that there must be parallel authority within the framework of a state?

[Thaci] Speaking about authorities and political projects, we must recall the Albanians' political will to construct a joint state with the Macedonians. Nevertheless, the attitude of the current authority in Macedonia is so rigid that it does not allow the Albanians to promote their rights, not even for one percent.

[Antonovski] I will interrupt you here to ask whether you believe your Albanians in parliament, in government, and in the institutions of the system are also rigid, regardless of whether they are the genuine representatives of the Albanian electoral body?

[Thaci] If we talk about parliament, they are the genuine representatives, because they were elected in parliamentary elections. When we speak about the government, however, we know how these Albanians entered government and how genuine Albanians they are, how they represent the Albanian population. I will immediately say that they do not represent us. If we take into account that the Alliance (the Alliance for Macedonia) has a two-thirds majority, which is sufficient for the formation of the government, the constitutions, and the system laws, then the Albanians there are nothing more than mere decoration—they belong to the former system, to the political left wing with which they were connected before. We do not neglect the other arguments in the system and the life in Macedonia. Namely, the presence of the Albanians in the Macedonian universities is 2 to 3 percent, let us not mention the situation in the Ministry of the Interior, the defense, the courts. Now, if we decide to accept the claim that there are 23 percent Albanians in Macedonia, you yourself can decide whether we are discriminated against or not and whether the institutions of the system are anti-Albanian or pro-Macedonian.

[Antonovski] So, the parliament is all right, and the Government is anti-Albanian, because there are not any ministers there from your party and therefore they are not the genuine representatives of the Albanians.

[Thaci] I did not say that the parliament is all right, but that they are the genuine representatives of the electoral body that voted for them. Speaking about the representatives in government (from the Party for Democratic Prosperity, PDP) matters are completely clear, because any coalition between Albanian and Macedonian parties is impossible if an agreement on the main state interests in Macedonia is not reached.

We consider the present coalition of the Macedonians and the Albanians as collaborationist. The presence of Albanian ministers in the Macedonian Government generates anti-Albanian feeling in Macedonia and their presence allows this institution to present itself as democratic.

[Antonovski] This view takes us back to your statement—the need for a parallel system.

[Thaci] Yes, when we are speaking about a parallel system, it is necessary to go back to history, to 1991, when the Albanians held a referendum on political and territorial independence with formation of political and cultural institutions. If the rigid policy of the Macedonian Government continues, the Albanians will have to go back to that referendum, which guarantees them all rights and provides prosperity to them.

[Antonovski] You say a "referendum," but who can guarantee that the data will be exact? Who can guarantee that this is the genuine will of the Albanians?

[Thaci] All political parties of the Albanians participated in our 1991 referendum and the will of the people was—over 90 percent in favor. The results at that time were transparent and accessible to all mass media and they were presented in some international centers. It is normal that we do not accept the referendum of the Macedonian state, because the Albanians did not take part in that referendum. However, since the referendum of the Macedonian state represents the will of one nation, the referendum of Albanians is the will of another nation.

[Antonovski] So, you are again asking for parallelism? Let us go back to your idea in a pragmatic sense—how can this be accomplished?

[Thaci] It is very conventional, the way parallel institutions of two or more nations exist in one state.

[Antonovski] Where will the administrative center be located?

[Thaci] It does not matter, there are a number of towns where it could be located—in Skopje, Tetovo.... The important thing is that we have to think about all this. We are now faced with the adoption of a very important system law, the law on university education. The way the things are now, this law will be adopted, by which the university will definitely become illegal.

[Antonovski] Do you here refer to your university in Tetovo?

[Thaci] Yes, and after this the people and this project will be persecuted, and therefore we will have to consider the formation of additional independent institutions that will guarantee the university unobstructed activities.

[Antonovski] All right, if this is so, are you not in contradiction? You are in parliament and therefore you are present in the institutions of the state, but you are not satisfied and you are asking for your own institutions.

[Thaci] Speaking about a system for the fulfillment of rights, I think that this segment has been wrongly assessed, because even the street represents a system the way the street is not outside the system [as published].

[Antonovski] However, it is outside the institutions!

[Thaci] If the people is at stake, then it is an institute, and the participation of the Albanians in parliament is further evidence of the readiness to construct a common state with the Macedonians.

[Antonovski] What is the problem then?

[Thaci] The problem lies in the rigidness of the Macedonian Government. Its policy cannot be compared with any other policy in the Balkans. Here is a comparison: The president of Pristina University adopts a statute on the independence of the university, the Serbian police arrest him and he is sentenced to 60 days in prison. The President of the University in Tetovo adopts an act—the statute of the university that will remain inside the educational system of Macedonia, and he is sentenced to two and a half years in prison.

[Antonovski] Speaking about comparisons...you were a student at Pristina University. Do you consider Tetovo and Pristina universities to be at the same level?

[Thaci] If you expect me to say "yes," it is not true. Nevertheless, let us not forget that I studied stomatology and I know the problems in the sphere of medicine. Tell me about the Medical Faculty in Skopje at its onset. Who taught microbiology? Karakasevic! He is still teaching at that university. This is a consequence, and speaking about the reasons for the opening of Tetovo university, they are well-known—there was the need to educate the Albanians. We Albanians receive blows on a daily basis. I was the son of a man who was not an intellectual. He was not educated, but within the framework of former Yugoslavia I had the opportunity to be educated in my mother tongue. Now comes the question of my son: How was it possible for my grandfather to give you the chance of a university education, while you cannot do the same for me? It is not an exclusive attitude of the Macedonian Government. It is exactly this exclusivity that is supported by the ministers—conditionally speaking Albanians.

[Antonovski] What do you mean by "conditionally speaking Albanians?"

[Thaci] I say this because they give the government or the state president the chance to present themselves internationally as the only Balkan state that has incorporated ethnic minority representatives in its government and to boast of being a democratic country.

[Antonovski] Is there democracy in Macedonia?

[Thaci] No. The elementary right of democracy is brutally violated. The importance of the vote is something sacred in democracy and I will give you just two examples—Tetovo and Bitola. Tetovo has a population of 185,000 and nine constituencies. Bitola has 160,000 inhabitants and again nine constituencies. So, 25,000 votes in Tetovo are not valid. The situation is similar in other towns. When new states like Macedonia are created, three categories of rights are used there. The first is the inherent right—inheritance—which we lost in 1991 because we were a constitutive element in 1946 and in 1974, but with the present Constitution we have lost this element. The second category is the democratic rights that I mentioned before. The third category is human rights and they are not abstract, it is the right to the use of the language, education, and information.

[Antonovski] Yes, but the Albanians have these rights.

[Thaci] You will now say—who is stopping the Albanians from being educated at Skopje and Bitola universities? These are nothing but cheap tricks. We are moving toward a market economy where competition can destroy you. Here is an example: An Albanian, who has had a former education in Albanian for 12 years and a Macedonian compete for access to the Medical Faculty. You know who is going to win, just as you do for instance when two people are running a race in which one is shackled with a 100-kilos weight on his feet.

[Antonovski] Who is shackling you?

[Thaci] Normally, those who do not allow us to use our mother tongue.

[Antonovski] A while ago you mentioned the competition, the market economy toward which this state is moving, in other words—quality wins!

[Thaci] Yes.

[Antonovski] Do you think that the Albanians are not admitted [to the university] because of their ethnic affiliation or because their tests are of worse quality?

[Thaci] Speaking about quality, we come to a racist idea, that is that the Macedonians are born more intelligent than the Albanians. This is not true, all nations have the same qualities, unless of course we are racists.

[Antonovski] We speak about preparedness and not talent.

[Thaci] Speaking about preparedness, we know that education is carried out according to the same curricula and programs, but the problem is because the terms "quality" and "citizens" in Macedonia are unfortunately commonly used only for the Macedonian nation. We also speak of a civil constitution, but the term "citizen" is only used for the Macedonian.

[Antonovski] Who thinks that this exclusive right belongs to the Macedonians only?

[Thaci] The government, and unfortunately the largest number of the Macedonians as well. However, we must not feel so comfortable and create a Macedonian "quality" and "citizen," because gentlemen, this is not the United States. Neither the Macedonians nor Macedonia have a global culture, global force, and economy. We are two nations that have lived here together for centuries, and we are asking fro the same rights that we de jure enjoyed in former Yugoslavia. Nothing else. One cannot promote one's rights while the other one is losing them and take the exclusive right to a state while the other one is a second-class citizen. Just look at Article 7 of the Macedonian Constitution! The segregation is very transparent and clear to everybody.

[Antonovski] Are there no possibilities for a solution in the parliament and particularly after your recent coalition with the NDP [People's Democratic Party]?

[Thaci] There are fundamental, inalienable, inherited rights throughout the world that are not left at the mercy of parliament or government procedures. These rights are as a result of an agreement. Somebody will now say that the majority is making decisions in democratic systems—that is the will of the majority. This is not true. Tomorrow somebody in the Macedonian parliament may request the Albanians to be banned from Macedonia, the majority will give a positive vote, but is this democracy? We really believe that the inherent right of the Albanians in Macedonia, their constituency in the Constitution, their language, education, proportional representation in the authority, cannot be put at the mercy of parliament procedure, because the outcome is known in advance and nobody is allowed to vote on my elementary right.

[Antonovski] What kind of an agreement or outcome do you suggest?

[Thaci] A so-called historical or political agreement between the Macedonians and the Albanians, which is so frequently mentioned, is indispensable and we have a concrete proposal on this. We can be comfortable and tell each other tales about everything being in order here, that democracy is flourishing, that this is an "oasis of peace," but this was Tito's attitude in former Yugoslavia and his equality, brotherhood, and unity, as well as the slogans like "Even After Tito—Tito" were transformed into massacres and wars that led the politicians to Dayton. We do not function by this communist method that says "let it be while I am here, who cares about the future." The problems are very difficult even if there are not 40 but at least 30 percent of Albanians in this Macedonia, while the other two thirds are Slav Macedonians. If the most important legal act of this state, the Constitution, was not voted by the Albanians, then we have to think soberly about an agreement between the Albanians and the Macedonians. There are no dilemmas on this in the international community because there we are accepted as a multicultural, multiethnic and multiconfessional state. The most appropriate constitutional arrangement for this state is to have two houses of parliament, one composed of citizens, the other of ethnic representatives, where decisions on relevant and national rights will be made by consensus. These needs of the Albanians, I say needs and not requests, must be contained in such an agreement, because any other agreement would make us, the Albanians, look like masochists in front of the Macedonian and the international public. We agree with something that is essentially against us.

[Antonovski] Speaking about the international community, however, it must be pointed out that it was this community that evaluated Macedonia and then accepted it into many international institutions, starting from the United Nations, the OSCE, the Council of Europe, and the "Partnership for Peace" agreeement. What is your comment on this?

[Thaci] Yes, but under particular conditions.

[Antonovski] What conditions?

[Thaci] Not one of these documents of these international organizations confirms that everything is in order in Macedonia, without saying that "this and that" should be done. Even the reports of UN Secretary General Butrus Butrus-Ghali said that something is wrong with the rights of the Albanians in Macedonia. Why was Macedonia so quickly accepted in these organizations? It is the exclusive tendency of western forces and interests to increase stability in this young state. Macedonia is a weak state, a "baby state," that has to be brought up and secured, but it does not mean that all things are clear and that the Albanians must forget about their inalienable rights.

[Antonovski] It is an illusion to believe that there are states where everything is functioning in the best way....

[Thaci] Yes, but the Albanian syndrome in Macedonia will create many problems for a long time. We have to tackle these matters urgently and forget about other things.

[Antonovski] What other things?

[Thaci] I do not know whether you have heard of this, but our party, the PDPA, and I myself have stated a number of times that as long as the Ministry of the Interior is engaged in the political problems of the Albanians in Macedonia, this society will be criminalized. This has become true particularly in the last few months. Even the brutal assassination attempt against Mr. Gligorov demonstrated that this thesis should not have been ignored and that the society has been criminalized. Today I heard about an armed robbery in a bank in the center of Skopje. Furthermore, we must not forget that this state is still in the process of creation, that nothing is completely or precisely constructed. If the problems in former Yugoslavia started to be solved in the north, in Slovenia, it means that now is the turn of the south, Macedonia. In this sense, the admission of Macedonia to the international institutions literally does not have any significance. After Kosovo, whose turn has come, comes Macedonia.

[Antonovski] Speaking about Kosovo, will the solution of this question mean a solution to the problem of the Albanians in Macedonia, or is it a totally different matter?

[Thaci] We want an overall solution of the Albanian problem, but unless the problem of the Albanians in Macedonia is solved, nothing will be solved. Kosovo is the concern of all the Albanians, no matter where they live. Starting from the statement by Sali Berisha [Albanian president], if a conflict is allowed to erupt in Kosovo, the Albanians will react as one nation, and now somebody may say: "Well, Kosovo is another state, we are independent, and it is not in our interest." This can only be somebody's impression, but it is certainly not mine, and I am sure that many citizens in Macedonia do not share this impression.

[Antonovski] When you were speaking about democracy in Macedonia, were you refering to Macedonian-Albanian relations or Macedonian-Macedonian relations?

[Thaci] When we speak about the government's manipulations, there are two such manipulations. The first is the communist—very emphatic, which is perpetuated with the help of the government's political position against all other opposition parties, which is twice as strong if it is the Albanian opposition. The elections are a good illustration. Here, let us take the Alliance as an example. For me, it is a party that got a two-thirds majority and a little more than that. Let us take the example of the other eastern countries since 1989 until now. Lech Walesa lost with 48 percent, Tudjman and the HDZ [Croatian Democratic Community], who accomplished the centuries' old dream of the Croats—the NDH [Independent State of Croatia 1941-45] and a part of Bosnia—got 44 percent of the votes, Sali Berisha and his party, known as democrats who made a radical transition in the system, got only 44 percent of the votes in the election. How can Mr. Gligorov's alliance be a political phenomenon and get a two-thirds majority? It is clear that the elections were strictly manipulated. On the other hand, you have here the division of the Macedonian opposition, which does not have any significance in political life, and so it is clear that there is no democracy in this country, but only services that are working against democracy.

[Antonovski] What is the solution?

[Thaci] Only with an agreement, because things are leading to another road, and it is not good. In the meantime, there will be two tendencies—the one will be the Albanians, who will daily ask for a better status, and the second will be the government, which will daily reinforce repression against the Albanians. All this will lead to a conflict that is not acceptable to anybody. It is the Albanians' dream to live in one state. We are not pursuing this objective now, however, and we will oppose a violent change of borders, but nobody can stop a peaceful change by agreement. Even the international community will not object to this, and yet we are not pursuing this objective, but we are remaining within the present borders with an agreement and with the guarantee of a third side—the Americans. Can there be a better guarantor than this force? Actually, who can guarantee to me that Macedonia will aspire to western values and that five or ten years from now Macedonia will not turn to the East? If we accept the name FYROM, and this name was also accepted by President Gligorov, the foreign minister, and the government, I can suspect that after some time there will be an aspiration and reorientation toward the Russian system. This could lead to the formation of a Slav-Orthodox alliance, and what about our place? Neither here, nor in Islamic fundamentalism, although we are Muslims. So, everybody needs a guarantee, and there can be no better guarantee than the United States and NATO.

[Antonovski] Is the agreement the wish of all the Albanian political subjects or just of the PDPA and its coalition partner the NDP?

[Thaci] That is a very interesting question. Declaratively—yes, everybody is in favor of the agreement, and we were the first to offer this agreement, to the Albanians, of course, and to the party in the government, the PDP, and they consented. However, when political activities are needed, then they give advantage to their political careers, ministerial positions, and material achievements. The government made this possible for them, and although they are in that institution, they are satisfied with promises only, although they know that nothing will come of it. In this way the list of the Albanian requests is increased. Normally, this situation suits the Macedonian Government, which encourages it.

I understand why they (in the PDP) cannot leave the government's positions, because they are not a political party, but a group of nepotists, and if they are to leave the ministerial positions it will automatically mean an end to this political party, which will be reduced to a political organization. The whole hierarchy of these people is inclined to this interest. Mr. Muhamad Halili, who presents himself as a modern liberal politician in this government, three days ago said the following in a village in his constituency: "We presented the historical agreement four years ago and the Thacists stole it from us." These nepotists are also big hypocrites and they cannot even tell lies in a coordinated manner. At the same time, Abdurahman [A[illegible], PDP leader] said as follows at another place: "I cannot make a historical agreement with the Macedonians, because I am afraid of historical mistakes." So, Halili says that we stole the idea from them, while Haliti does not know how to make a historical agreement because he is afraid of mistakes. This is the nepotistic scheme of existence or hiding behind some agreement with the Government, pretending that "they are needed." How can they agree if the PDP is small compared with the two-third majority? Who needs whom? However, it is true that if you do not achieve political results in your engagement, you either withdraw yourself or others will "break you apart." The new political force that will come to the scene will have to be more extremist than the previous, because it will have no other choice if it wants to impose itself. On the other hand, this tendency can give birth to conflicts, and later on an agreement will have to be reached, as is the example of Bosnia, in which case they finally had to sit down in Ohio.

PDP Head Expects Solutions on Tetovo University

AU1612171595 Skopje Radio Macedonia Network in Macedonian 1430 GMT 15 Dec 95

[Interview with Abdurahman Aliti, president of the Party for Democratic Prosperity (PDP), by Zoran Tanevski; place and date not given]

[FBIS Translated Text] [Tanevski] Is it true that if Tetovo university is not opened and if you are not allowed to speak in Albanian from the parliament floor, you will abandon the parliament and government?

[Halili] We are continuing intensive consultations on this question within the party structures. The view will be constructed on the basis of the assumptions that we have. It is certain that it will be definite in several versions according to the principle "it all depends on if."

[Tanevski] When will you know about your final view?

[Halili] Today we had such talks with the party structures, including the members of parliament and ministers, the presidency of the parties, and so on. Today's view will not be definite, but it will be in the function of constructing a definite view.

[Tanevski] The law on university education has passed the first procedure in parliament and now it is to be presented to the members of parliament.

[Halili] One thing is for sure. Article 9 [from the Constitution], treating the language in which the university education is to be carried out, is not acceptable for us, and this is definite, and we hope that in this interim, a solution will be found that will be at least sustainable if not fully acceptable.

[Tanevski] The Book of Rules [for the university] has been discussed in some commissions, but it has not yet been put on the agenda of a parliament session.

[Halili] Looking at it as a whole, both documents will definitely make us stumble. We think that it has to do with an elementary right.

Walesa Speech on 'Tragic Events' of Dec 1970

LD1712154995 Warsaw PAP in Polish 1331 GMT 17 Dec 95

[FBIS Translated Text] Gdansk, 17 Dec (PAP) — During today's ceremonies commemorating the tragic events on the coast in December 1970, President Lech Walesa made the following speech:

"After 25 years, we once again return in thought to the bloody events on the coast. We meet today to honor the memory of the victims of December 1970. We want to recall once again the cruel and unjust fate that befell them. They were killed by bullets fired by people wearing Polish uniforms. They were killed, for their death was necessary as the completion of a cynical provocation. The blood on the streets of Gdynia was not the result of a chance coincidence. It was a crime plotted with premeditation. It was planned by party apparatchiks fighting for influence at the summit of power. There, in the Central Committee [KC] building, one gang wanted to defeat another gang, and that is why innocent people had to die here in Gdynia.

"The cross, at the foot of which we stand, like the Gdansk crosses in front of the shipyard, is a symbol of redemption and hope. It is also a sign of truth and ultimate justice. We want these to be achieved and redress given for the innocent blood that was shed. For 25 years we have been demanding the full truth about the events on the coast and for the six years of independent Poland we have been demanding that those guilty of that criminal provocation be found and punished. The process of investigation is continuing, the prosecutor's files are bursting, the court proceedings are lengthening. How many more times will we have to meet under this cross, for truth and justice to be victorious? How many more times will we have to call out in the name of those people who were killed by bullets and fell silent forever? How many more times will be have to join forces, for normality to prevail at last?

That is what August [1980] was for: to redeem and conquer December [1970]. That is why we created "Solidarity," to build the Polish home on foundations of conscience, good, and justice. Today evil goes unpunished. That is not how it was meant to be. Lies are rewarded; Poland is humiliated. We will never reconcile ourselves to that. We will fight it until we have total victory. Not in the name of revenge, but in the name of justice. It is our duty to the victims of the past and to future generations. Poland wants this of us, so help us God."

Demands 'Full Truth' of Gdynia

LD1712124995 Warsaw Polskie Radio First Program Network in Polish 1200 GMT 17 Dec 95

[FBIS Translated Text] Central ceremonies marking the 25th anniversary of the tragic December events started at the cross in front of the Gdynia town hall. The cross is a monument to the December 1970 victims. At that time 44 people died on the coast from bullets fired by the militia and army.

President Lech Walesa, who is taking part in the ceremonies, said that for 25 years we have been demanding full truth about the events on the coast. For six years of independent Poland we have been demanding the identification and punishment of those who were responsible for that criminal provocation. Lech Walesa said that today evil went unpunished, lies were rewarded, and Poland was humiliated.

At the central cemetery in Szczecin priests and representatives of the public said Angelus prayers and laid flowers on the graves of the December 1970 victims.

Walesa Urges Opposition to 'Arrogant' Winners

LD1612231395 Warsaw Third Program Radio Network in Polish 2200 GMT 16 Dec 95

[FBIS Translated Text] On the 14th anniversary of the pacification of the Wujek colliery [in Silesia], the memory of the nine miners who were killed was honored. After a mass for their intention, a roll call was held at the monument to the victims of the pacification. A commemorative tablet endowed by President Lech Walesa was unveiled.

[Begin Walesa recording] The guilty must be punished, and the wronged should be given redress. A mere "sorry" to the thousands of innocent victims of that inhuman system is decidedly too little. Today the heirs of the Polish People's Republic have taken over full power. They are again showing their insolent and arrogant face. They will fashion the free and democratic Third Republic, which we fought for and won in their own mold. For many of us, this is a bitter lesson of history. It undermines the belief in the sense of that struggle, the meaning of our Solidarity effort. But we must not lose hope, succumb to a feeling of defeat. We must not rest on our laurels. We are bound by the common struggle, the common memory of its victims: It is they who oblige us to live in truth and honesty; to have the courage — like them — to oppose evil, force, and hypocrisy. [end recording]

Solidarity leader Marian Krzaklewski also spoke.

[Begin Krzaklewski recording] (?We hear) the words: Our Common Poland [Wspolna Polska]. Can there be a common Poland of victims and of oppressors who have not been brought to book? Can there be a common Poland of simple people, toiling away, working hard, and thieves, also not brought to book or punished? Can there be a common Poland, when the person who holds the highest state office has not been called to account for breaking the law? So, if the politicians who say so really want a common Poland, then with the enormous power they have at the moment, let them settle all these accounts, apply the laws, in accordance with the rules of democracy. [end recording]

Ex-Premier Blames Walesa, Solidarity for 'Mess'

*LD1612133995 Warsaw PAP in Polish
1225 GMT 16 Dec 95*

[FBIS Translated Text] Warsaw, 16 Dec — Jan Olszewski said at the founding First Congress of the Movement for the Reconstruction of Poland [ROP], that with the election of Aleksander Kwasniewski to the presidency "the Polish People's Republic is coming back in a different guise."

"In the days of the Polish People's Republic we were ruled by liars, frauds, and small-time thieves. Now we will be ruled by small-time frauds and big-time thieves," Olszewski stressed.

Olszewski blamed Lech Walesa and the first Solidarity governments for the return of the Polish People's Republic. According to him, Solidarity elites are responsible for the mess of the last six years, which made it possible for the postcommunists to take over full power in Poland.

Olszewski ruled out the possibility of his ROP joining the reform camp, the camp of the united right around Lech Walesa. He explained that the state should not be reformed but rebuilt from the foundations, both morally and spiritually. This will be achieved by decriminalizing public life. He let it be known that the ROP will be fighting for the elementary value: the dignity of the state.

Planning Office Head on Five-Year Estimates

*WS1512135395 Warsaw NOWA EUROPA in Polish
13 Dec 95 p 5*

[Interview with Central Planning Administration Director Miroslaw Pietrewicz by Malgorzata Pokojska; place and date not given: "Only Half a Tiger"]

[FBIS Translated Text] [Pokojska] Why did the Economic Committee of the Council of Ministers [KERM] discuss one of the economic forecasts worked out by the Central Planning Administration [CUP]? So far this has not happened; forecasts tended to be looked upon as mere studies.

[Pietrewicz] So far, CUP has prepared only annual "Main Principles of Sociopolitical Policies," which included macroeconomic forecasts for the next budgetary year. Now, for the first time, we have attempted to work out a five-year forecast whose significance may be greater.

[Pokojska] What is the next year going to be like in the economy?

[Pietrewicz] This will largely depend on the government's policies and certain circumstances, mainly external, which these policies do not affect at all or which they influence only to a small degree. The CUP forecast tells you what may happen and what the situation may look like if the main goal of the economic policy will be maintenance and stimulation of the high and healthy economic growth, as well as what may be the consequences of abandoning such a policy.

[Pokojska] What does healthy and high economic growth mean?

[Pietrewicz] Healthy growth results from improvement in the efficiency of the economy, not from temporarily-heightened economic activity. We will see high growth if it does not differ too widely from the growth that we are expecting this year.

[Pokojska] This year's gross domestic product is supposed to go up by 7 percent. Should we expect equally high growth in 1996?

[Pietrewicz] CUP predicts that the GDP will rise by approximately 6.5 percent this year. We estimate that next year's growth will be in the vicinity of 5.5 percent.

[Pokojska] This would be significantly less than this year. Why?

[Pietrewicz] This largely results from caution. At the moment the driving forces of our economic development are exports and capital spending. We assess this situation as "healthy" because revenues from exports are an important source of financing capital spending on modernization projects — first of all on new machines and technologies. This year's capital spending dynamics in large companies will reach 20 percent. For the sake of comparison, last year's capital spending growth slightly exceeded 8 percent. We do not think that this year's dynamics can be maintained in 1996, all the more so because we have been observing a decrease in the export growth dynamics since the second half of the year. We estimate that this trend will continue next year. Of course, now we are talking about the official, registered exports, as opposed to sales in border areas; these sales were not taken into account in these calculations.

[Pokojska] Why exactly is export growth decreasing?

[Pietrewicz] Exports depend primarily on the exchange-rate policies and on economic activity on world markets. These determine the demand for our products and the profitability of our exports. This profitability can be increased by appropriately lowering the relation of the zloty to exchangeable currencies. This stimulates exports, and encourages companies to make efforts to export their products.

[Pokojska] Do you believe, then, that the devaluation of the zloty is too slow?

[Pietrewicz] Indeed, over one year, from September 1994, the price of the U.S. dollar went up by 6.5 percent. The increase in the zloty value is too rapid. It is not offset by the increase in labor efficiency and by export prices. As a result, export profitability is going down, which will entail a slump in its dynamics.

[Pokojska] However, quite recently the economic deputy prime minister [Kolodko] made efforts to decrease the devaluation rate; he saw this as a possible method of curbing the foreign-exchange reserves growth. The president of the National Bank of Poland did not back these efforts. It would have been more logical if the deputy prime minister had fought to enhance export profitability.

[Pietrewicz] Everything depends on the main goal of economic policy. There is an old dilemma: Should we stimulate development, including exports, or should we keep tight reins on inflation and, among other things, strive to equilibrate the balance of payments? It is very difficult to achieve the right proportion between economic growth and inflation. For example, taking into account the predicted 5.5 percent growth of the GDP, we estimate that the December-to-December inflation will be approximately 18 percent. It could be reduced even more, but then there might be difficulties in achieving such a growth.

[Pokojska] How does economic activity on world markets influence export dynamics?

[Pietrewicz] On the markets of our main partners — the EU countries — we observe decreasing demand for not-fully-processed goods: raw materials and semifinished products. The problem is that these products and materials are still prevalent in Polish exports. We are hoping that stabilization in the countries of western and southern Europe, as well as the development of relations with Asian states, will have a favorable effect on our exports.

[Pokojska] Is there a chance that this structure will change within a few years?

[Pietrewicz] There is a chance that over the next five years we will change not only the structure of exports, but also the structure of the entire economy. We presented KERM with three possible scenarios: the fundamental scenario, the optimistic scenario, and the pessimistic one. Currently we are working on details. The fundamental scenario seems to be the most likely one. It envisions a continuation of institutional reforms at a rate similar to the present one and maintenance of healthy economic growth.

[Pokojska] What will be the growth rate of the GDP, exports, and capital spending? How fast will inflation go down?

[Pietrewicz] We estimate that unless the policy of growth stimulation is disturbed, by the year 2000 the GDP may go up by an average of 5.4 percent a year. At the beginning of this period, this growth will be higher, but then it will begin to decrease. The same goes for exports, whose average annual growth is estimated at 10 percent, as well as for capital spending, whose average annual growth may reach 8.8 percent. At the end of the period in question, inflation will probably be approximately 10 percent.

[Pokojska] This looks much worse than in the "Strategy for Poland." Grzegorz Kolodko promised single-digit inflation as soon as 1997.

[Pietrewicz] I do not rule out such a possibility. However, as I have already said, this might be achieved at the cost of the economic growth. Even in the optimistic version of the forecast, which envisions favorable development of trade with the West and the East, as well as faster inflow of foreign capital, the average annual growth rate would be 6.7 percent. Only fast economic growth will enable Poland to resolve its economic and social problems.

[Pokojska] The figure you mentioned — 6.7 percent — is only half of what the "tigers" in the Far East are achieving today. Does this mean that the frequently-made comparisons with the dynamically- developing Asian countries are inadequate?

[Pietrewicz] Poland is in Europe; among many differences, there are also different social relations here. However, it is true that in order to ensure the indispensable level of competitiveness in our economy so that it might successfully compete with EU countries, we would have to maintain an annual economic growth on the level of 7 percent for 15 years.

[Pokojska] What if we fail to achieve this? What do you predict in the pessimistic scenario?

[Pietrewicz] This scenario is catastrophic; it describes the possible effects of political and economic destabilization in our country as well as in the neighboring states. It is, in fact, a warning. It might actually be ignored, because all prognoses are at the same time instruments of influencing people's moods and expectations. Now, the most important thing is that we can see a chance of maintaining the development on more or less the current level until the year 2000.

Germany Offers To Sell U-Boats to Poland

WS1512150195 Gdansk DZIENNIK BALTYCKI in Polish 6 Dec 95 p 1

[Article by Jan Kreft: "A Polish Navy U-Boat"]

[FBIS Translated Excerpt] *Germany's Bundesmarine has proposed that the Ministry of National Defense (MON) purchase 206-class, withdrawn from active duty, submarines. They are small and adopted to operate in the shallow waters of the Baltic.*

"The famous German offer concerning the Alpha Jet planes included other proposals, too," Colonel Miroslaw M. Sawicki from the Ministry of National Defense Press and Information Office told "DZIENNIK BALTYCKI." Among other things, it dealt with the transfer, free of charge, of a certain number of Mi- 24D helicopters and the sale of 1,000 all-purpose heavy-duty VW vehicles. The document also mentions U-206-class submarines.

The colonel was unable to reveal the price demanded by Germany, but in his view, it surely is not a free-of-charge kind of deal.

"No decision has yet been made. I cannot even say whether the offer has ever been considered," the colonel remarked.

Lieutenant Janusz Walczak, the press spokesman for the commander in chief of the Polish Navy, was unaware of the offer. He said "it is clear that the Polish Navy needs to be upgraded. We could do with submarines, too. But should they be German? They have advantages and disadvantages. This is not, however, some spectacular technological leap into the future. So far, nobody has requested our opinion." [passage omitted]

UDMR Bishop Offers Leaders Political Pact

LD1512212795 Budapest Kossuth Radio Network in Hungarian 1700 GMT 15 Dec 95

[FBIS Translated Text] Bishop Laszlo Tokes, honorary chairman of the UDMR [Democratic Union of Hungarians in Romania] has made the Romanian majority an offer for a political pact, on behalf of the Hungarian community in Romania. Tibor Bogdan reports.

[Bogdan] In his speech at a ceremony commemorating the Timisoara events in December 1989, Laszlo Tokes thought that, although in the knowledge of the past and the present situation the Hungarians in Romania would have every reason not to take seriously President [Ion] Iliescu's proposal for historic reconciliation, it would still be a luxury to ignore the offer amid the dangers of artificially intensified ethnic tensions. The Hungarians of Transylvania must grab every opportunity for dialogue in spite of the fact that the destructive behavior of the Romanian power and president contradicts the reconciliation intention.

He warned that there is no salutary way in settling serious crises. The Romanian power must strive for solutions facilitating collective social integration instead of assimilation.

On behalf of the Hungarian community of Romania and the UDMR, Tokes today offered the Romanian leadership and majority a political pact which, apart from the preservation of Romania's territorial integrity, would guarantee equal rights for the two million Hungarians, their individual and collective human rights, and the preservation of their national identity. This pact would be the most passable path towards historic reconciliation, and the security, stability, and peace of Romania and Hungary, Tokes said, concluding his Timisoara speech today.

PAC President Discusses Electoral Prospects

AU1812184295 Bucharest JURNALUL NATIONAL in Romanian 11 Dec 95 pp 16-17

[Interview with Nicolae Manolescu, PAC president, by Narcisa Iorga; place and date not given: "Professor Nicolae Manolescu Knows That One Cannot Play With Politics or History—The PAC Will Draw Conclusions From Separating From the Democratic Convention of Romania"]

[FBIS Translated Excerpt] [Iorga] The leu has weakened badly. It has devalued. How is the lion [also leu in Romanian] on the emblem of the Civic Alliance Party [PAC] doing?

[Manolescu] There is no connections whatsoever between one and the other. However, I hope that the lion on our party's emblem will ultimately deserve the name of king of the animals, as fairy tale writers call it.

[Iorga] Mr. President, have you ever had a day when you felt sick and tired of politics?

[Manolescu] I have had several such days when I felt sick and tired of politics and mainly of Romanian politics. Generally I feel that way when I see lack of professionalism and lack of fair play in some of our politicians. Other times I feel that way after news conferences, when I read that the media writes things differently than what I said, or, instead of my own words, tendentious commentaries are published. I believe in the freedom of press, but I would like this freedom to be accompanied also by respect. Everything that a politician states can and must be commented on by journalists with the reminder that never can a commentary substitute for the statement itself. It bothers me to read commentaries that are published without the statement that I made. This is a way of manipulating public opinion and this makes me sick.

[Iorga] What is your opinion about the men of culture who are involved in politics?

[Manolescu] I believe that Romania is a land where the writers have the fate to sooner or later get involved in politics. [passage omitted]

[Iorga] What is your opinion about the men of culture who recently joined the PDSR [Social Democracy Party of Romania].

[Manolescu] It is their right to choose one party or another, and if some intellectuals are attracted to the ruling party, it is not my place to judge them or scold them. As you make your bed, so you must lie on it.

[Iorga] The PAC is also called the party of intellectuals. Did you have a plan to attract them?

[Manolescu] They came to us by their own will; nobody forced them. PAC has never promoted a policy of recruiting. What I find unacceptable in the case of a political party is to set the members' administrative positions as a condition for their membership, to recruit people because they hold a certain position, and to force them to have a certain political option if they want to keep their job. Unfortunately, this practice has been spread, probably due to the old cowardice of public employees in Romania, who do not want to be on bad terms with the government. I do not believe that by encouraging such cowardice the parties currently ruling will have anything to gain. They will discover, when they are no longer ruling, that they acquired members who are going to leave them as soon as the power moves to other hands.

[Iorga] Mr. Nicolae Manolescu, which is easier for you, to make a literary or a political analysis?

[Manolescu] They are both equally difficult. [passage omitted] I am striving to respect certain criteria, not to mix my own wishes with real situations, and not to introduce in my assessment an exaggerated degree of subjectiveness. It is not in my power to assess whether I succeed in doing so or not.

[Iorga] There is not much time left before we mark the sixth anniversary of our freedom. What were you doing on the night of 21 to 22 December 1989?

[Manolescu] I was at University Square.

[Iorga] Have you ever thought, during the communist regime, that you would become party president?

[Manolescu] Never.

[Iorga] Nevertheless, today you are president of a party. How did the idea to set up the PAC arise after the success of the Civic Alliance?

[Manolescu] The Civic Alliance proposed several very generous programs. At a certain point I noticed that a formation capable of implementing these programs was needed. The PAC was the spearhead, the sacrifice team that was born in the Civic Alliance and that later turned from a nonparty formation into a party formation.

[Iorga] Have you severed relations with the Civic Alliance?

[Manolescu] Unfortunately our colleagues who remained in the Civic Alliance, who initially had accepted the idea of creating a political party, later wanted this party to measure its initiative by the same standards as a nonpolitical entity such as the Civic Alliance. This was impossible: the Civic Alliance and the PAC have different ambitions. A political party cannot depend on such a heterogeneous formation as the Civic Alliance. Nevertheless, it would have been better if the Civic Alliance had offered us the type of political and moral support for which it was created. It happened that the Civic Alliance preferred to offer such support to other parties. It is not the fault of the PAC that the formation in which it was born no longer recognized its offspring and proceeded to foster, not quite naturally, other formations. [passage omitted]

[Iorga] Mr. Manolescu, how do you assesses the war of vanities in politics in general and within the opposition in particular?

[Manolescu] Politics is an exclusive field of vanities. The competition of vanities does not bother me, but when people are blinded by it and the stupidity of some vain people who seem not to know their own interests, that does bother me.

[Iorga] What did you think when you were defeated by Emil Constantinescu in the race for president of the Democratic Convention of Romania [CDR]?

[Manolescu] This is slightly more complicated. In politics you are learning something every day and every hour. At one point you might have illusions, but you could lose them soon. You are not spared from either naivete or mistakes. As far as I am concerned, I saw pretty quickly that I was not sufficiently motivated to run for the presidency. I did not view the election of Emil Constantinescu as a defeat, but rather as a chance, namely, to reveal to myself the lack of a real desire to be in his place.

[Iorga] Would you like to become Romania's president?

[Manolescu] Not at all.

[Iorga] Why?

[Manolescu] The country's president is the least free person in this country. I value too much the political freedom of a person to become the slave of the supreme office in the state. I believe that I can make policies, be useful even, without being president.

[Iorga] Does this mean that you will not run for the presidency in next year's elections?

[Manolescu] Precisely.

[Iorga] In your opinion, who are the politicians of the day?

[Manolescu] I have always avoided making such lists and I have never set up such a list. I did not do that because I have no preferences, but the position of party leader compels me to refrain from making classifications which, no matter how correct their intention, would always be suspected of partiality, at least in the eye of the readers.

[Iorga] Can you tell us your preferences?

[Manolescu] For the same reason, I cannot. I can only tell you that I value all those politicians who see in politics a way to serve the country, with all the sacrifice it requires and not out of personal interests, no matter what type of interests those are. Fortunately, there are enough such politicians in Romania. I will not say that unfortunately there are also many of the other kind. [passage omitted]

[Iorga] Elections are approaching. To which social strata will the PAC mainly turn?

[Manolescu] Any political party wishes to turn to the entire electorate. However, the rule of the democratic game compels parties to turn to only a certain group. The PAC turns to Romania's liberal electorate, those who believe in the values of market economy, of democracy, and freedom of the individual. That is an electorate that must to a great extent be created, after 40 years of communism when all these values had a negative connotation. Our party does not simply wish to be supported by a certain electorate, but by people who belong to the most varied groups of the population, and we wish to persuade them that this party is worth supporting. I was accused of elitism. This is another concept that used to be regarded as negative. From our viewpoint, elite means everything that is the best in the entire social and professional sector, the best professionals and the most honest and most devoted people. I do not believe that it is bad to rely on people who from a professional and moral viewpoint are at the top of the nation. This is even stimulating, considering that many prominent people are waiting to be revealed and recognized and to emerge on the surface of a society artificially homogenized by the communist doctrine. PAC wishes to give these people a chance.

[Iorga] Which are the trump cards of the PAC program?

[Manolescu] Clarity, simplicity, firmness, and moderation. In short, the fact that it is a realistic program, based not on idealistic fantasies, but on real facts. PAC proceeds from the idea that there is no such thing as zero degree of development, that would represent the start. There is always a certain stage of economic, social, and moral development from which we proceed, and only if we correctly appreciate this stage will we be able to claim that we offer applicable solutions.

[Iorga] How do you view the CDR's "Contract With Romania"?

[Manolescu] It seems to me that it does not have sufficient economic basis. A simple calculation that Mr. Nicolae Taran made even in the press shows that many of the promises included in the contract will not be possible to fulfill. There are also contradictions, such as the contradiction between the increase of budget expenditures and the cutback of taxes. One cannot, at the same time, increase social expenditures from the budget and reduce the sources to feed the country's budget. Unfortunately, the "Contract With Romania" does not have any clear political line; it mixes at random liberal and socialist proposals, as well as generous promises with very approximate economic calculation of the resources.

[Iorga] Mr. President, now, after you have had enough time to think it over and examine the situation, do you not feel sorry that you withdraw from the CDR?

[Manolescu] In politics one cannot say sorry. At most, one can examine the situation and get a negative answer to the steps already taken. As far as we are concerned, we tried to profit from the freedom of movement that the separation from the CDR gave us to get organized and to assess better our own power. The PAC has run exclusively on the CDR's lists in all elections. This stopped us from realizing what we can rely on. We are going to learn this next year.

[Iorga] Do you take into consideration the opinion polls?

[Manolescu] Certainly we take them into consideration, with the inevitable rate of error or manipulation. As a matter of fact, we have no other instruments to learn the preferences of the electorate. [passage omitted]

[Iorga] Are you afraid that you are going to lose the seats in Parliament?

[Manolescu] We are not afraid. However, one cannot play with politics or history. We will draw the conclusion from the situation in which we found ourselves after we separated from the CDR, and I hope that we will do it objectively and honestly.

[Iorga] Will you stay attached to the united opposition in the next elections?

[Manolescu] One cannot put the issue this way. We will fulfill all those understandings and alliances that the political situation will require in 1996. We will respect our principles. We will try to unite our forces.

[Iorga] Mr. Nicolae Manolescu, have you ever thought of writing a novel about the first years after the [1989] revolution?

[Manolescu] I do not think that I have a novelist's talent. Maybe, one day, I will write my memoirs. I am a literary critic. I do not have the dramatic and psychological imagination to embark on a novel writing adventure.

Federal

Foreign Minister on Peace Accord, German Relations

LD1812224395 Belgrade TANJUG Domestic Service in Serbo-Croatian 2056 GMT 18 Dec 95

[FBIS Translated Text] Bonn, 18 Dec (TANJUG) — Yugoslav Foreign Minister Milan Milutinovic, in an interview with TANJUG journalist Zoran Jevdjovic, said that the conference on disarmament and armament control in Bosnia was essentially aimed at confidence-building in Bosnia-Herzegovina.

"That was a meeting that discussed methodological issues: How to approach not the problem of disarmament, but how to develop confidence-building measures, above all in Bosnia," Milutinovic said, adding that today's meeting in Bonn discussed armament control in the wider region of southeast Europe, and this was the reason why a large number of countries took part in it.

Asked about future activities regarding this issue, Minister Milutinovic said the first issue to be tackled was confidence-building measures in Bosnia.

The Paris agreement specified that "this must be done 45 days after the signing of the agreement," he said.

"Arms control measures for the entire region should be in place in the next six months," he said.

Commenting on a decision to start negotiations on 4 January, Milutinovic stressed that the Federal Republic of Yugoslavia wanted the arms control negotiations to start at a later date, because the Dayton agreement allowed for this, and for other reasons.

"The essence of the problem is our absence from the OSCE [Organization for Security and Cooperation in Europe], which, according to the Dayton agreement, should assist the negotiations because the OSCE adopted documents relevant for this issue, so that it has become, let me put it this way, an expert on this," Milutinovic said. He then added:

"We have said we have accepted that these negotiations are assisted by the OSCE, but we have objected to them being conducted under the OSCE auspices, because, as you know, we have been expelled from the organization without any, let me say this, reason and outside OSCE procedures. Everyone at the meeting understood that this was a problem that had to be resolved quickly. Our speedy return to the OSCE was one of the reasons for today's meeting."

Asked whether Yugoslav-German relations can start improving, Milutinovic said "that they can and cannot," stressing that "everything depends on the German side."

"In any case we are ready for full normalization of relations, while the German side is still hesitant in this respect. They are, of course, ready to have this cooperation, primarily in the economic and cultural spheres, as well as in the political sphere improved as much as possible," Milutinovic said, and explained that it was going to take time, as Kinkel told him, to make such a breakthrough in the German environment, regardless of our desire to resolve these things far quicker.

Asked about the process of negotiations on overall stabilization in the Balkans, Milutinovic began his reply by stating that as regards the Dayton agreement, including its addenda, "things are accelerating even faster than we expected."

"We would, of course, like to see them accelerated in that civil implementation of the agreement, in the reconstruction of ex-Bosnia- Herzegovina, in the reconstruction of the entire area of the former Yugoslavia," Milutinovic said, expressing his opinion that in this context one might talk about delays.

In this context he said he hoped that the upcoming meeting in Brussels and the already scheduled meetings in the region will help resolve the current problems.

"In all of this we are most interested in holding elections in Bosnia-Herzegovina as soon as possible," Milutinovic said, and added that this will stimulate restoration of confidence, the return of refugees, and general stabilization.

TANJUG Assails USAID Head on Reconstruction Aid

LD1512162095 Belgrade TANJUG in English 1516 GMT 15 Dec 95

["Pool" item, by Miodrag Dundjerovic]

[FBIS Transcribed Text] Belgrade, Dec 15 (TANJUG) — The Bosnia peace accord signed in Paris provides guarantees from the entire international community for the restoration of peace in the territory of the former Yugoslavia after almost four years of civil war.

For the wounds to heal as soon as possible, it is now necessary to focus on peace, reconstruction and cooperation, and forget about the earlier media war which divided the protagonists of the tragic war into the good guys and the bad guys.

The chief principle contained in the Paris document is equality of all parties, both as regards compliance with the obligations and the reconstruction of the war-devastated country.

The leaders of the world's most powerful countries and international institutions vowed that the international community would help in the reconstruction of demolished homes, infrastruture and industrial facilities and in bringing life back to normal regardless of whether Muslims, Croats or Serbs are involved and regardless of the part of Bosnia in which they live.

Economic reconstruction, humanitarian assistance and repatriation of refugees should not depend on anybody's goodwill. The yardsticks used must be of equal length because anything else and any siding with one of the three parties would be disastrous and would only deepen distrust and suspicions.

However, Brian Atwood, director of the U.S. Agency for International Development, seems to think differently. Just hours after the signing of the Paris accords, he contradicted U.S. President Bill Clinton whose speech in the Elysee Palace called for peace and aid to all three nations in Bosnia regardless of their religious or national affiliation.

Unlike Clinton, Atwood said that the U.S. aid for the reconstruction of former Yugoslavia was mostly destined for the Muslims and the Croats.

His statement would have been acceptable if the argument was that the Muslim-Croat Federation should receive more aid because it has a larger population than the (Bosnian Serb state) Republika Srpska.

But Atwood said in a statement to UPI that the decision was made because the U.S. public's perception of the Serbs as the aggressors in the three and a half year war would make it difficult for the administration to pump money into either Serbia of the Serb parts of Bosnia.

Atwood failed to say however who has moulded U.S. public opinion in that way and with what means.

He contended nevertheless that all parties will need aid and that he would ask other donors to assess the needs of the Serbs.

As head of a U.S. humanitarian agency, Atwood must avoid falling into the trap of black-and-white pictures about the civil war and honor the commitments made in Paris — less divisions and more equality, in order to secure better life for all in Bosnia.

Federal Budget Earmarks 73.7 Percent for Military

AU1812125795 Belgrade NASA BORBA in Serbo-Croatian 15 Dec 95 p 9

[Report by V.V.: "Law for New Militarization"]

[FBIS Translated Text] Although all key laws have been postponed for the fourth time (until the coming year), the federal government has proposed that the Law on Medium Term Program of Development of the Country's Defense System be discussed in the summary procedure at the forthcoming session of the parliament (called for Wednesday 20 December). The program covers the period from 1996 to 2000, and envisages that 1 percent of the gross domestic product, which would be secured from the federal treasury, be set aside for this purpose.

Just as with all the previous budgets, the federal budget for the coming year — on which the deputies are yet to take a stance — is actually a military budget, in light of the fact that a sizable 73.7 percent of it will be earmarked for the requirements of the Yugoslav Army. There is nothing new in this fact. However, the law proposing the safeguarding of the financing for the development of the peoples' defense has already caused quite a bit of suspicion in the clubs of deputies in the federal parliament. Among other things, because it is known that although Valdanos on the Montenegrin coast has been chosen as the location of the new navy base and harbor, the law makes no mention whatsoever of the immense funds that will have to be "milked" from somewhere.

The legislation defined the Federal Defense Ministry and the Yugoslav Army as the two main users of, as it is written, the budgetary funds for the requirements of the development of defense. It is emphasized that this primarily involves purchase and modernization of arms, military equipment, and the means and installations of command and control, the investments in the capacities and the overhaul of arms and military equipment, and the modernization of the most needed antiaircraft defense.

Judging by all this, it appears that it is more important for the state to train and prepare its citizens for the defense of the country than to facilitate passports and citizenships for them three and a half years after the formation of the FRY, to let them know when they should celebrate holidays and when not, what are the incumbencies of the Federal Ministry of Internal Affairs, and so forth. All this will have to wait because the federal government has already proposed to the parliament that it postpone the passing of the priority laws until the coming year.

This, however, will depend on other, much more significant moves that the Socialists will make, primarily the elections, because the present makeup of the Federal Assembly does not guarantee them the necessary majority. It is precisely this state of lawlessness (or better to say the application of the regulations of a non-existing country) that suits the regime which in the chaos of valid-invalid paragraphs and the prevailing legal uncertainty can do what it pleases.

The Federal Assembly, which has been in a blockade for a long time (again by choice of the Socialists), is merely playing as a smokescreen, and one can speak of its control function even less than one can of its legislative function. A number of the opposition deputies have already announced that they will request detailed information on the extent and the manner in which the funds for the Yugoslav Army are being spent at the forthcoming debate on the budget, and also why under the pretext of developing the country's defense system we must continue arming ourselves enormously in the absence of any parliamentary control. The question is whether this will have any effect, because the army and the numerous police (in Serbia) will continue to be a taboo for the deputies and the citizens.

Economic Goals: Stable Dinar, Liberalized Trade

LD1312092895 Belgrade TANJUG in English 0127 GMT 13 Dec 95

[FBIS Transcribed Text] Belgrade, Dec. 12 (TANJUG) — Yugoslavia will continue to pursue a restrictive monetary policy in 1996, while liberalising exports and imports in conformity with the World Trade Organisation standards, Yugoslav officials said late on Tuesday.

Yugoslav Prime Minister Radoje Kontic held talks on Tuesday with officials of the Yugoslav republics of Serbia and Montenegro and the National Bank of Yugoslavia (central bank), a Yugoslav Government statement said.

The priority goal is to maintain the stability of the national currency (one dinar now fetches 3.3 German marks) by the market mechanisms, such as liberalisation of foreign trade and better supply on the domestic market.

The monetary policy will be restrictive and public expenditures will be financed only from real sources.

In the area of trade, the priorities will be further liberalisation of exports and imports with the application of protective mechanisms for domestic producers, primarily those of importance to the national economy and national security.

Trade Minister, Bulgaria's Tsochev Sign Accord

AU1112192495 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 11 Dec 95

[FBIS Translated Text] Within the framework of the session of the Bulgarian-Yugoslav Commission on Economic, Scientific, and Technical Cooperation, in Belgrade today Kiril Tsochev, deputy chairman of the Bulgarian Council of Ministers, and FRY Federal Trade Minister Djordje Siradovic signed an intergovernmental accord on trade and economic cooperation. Here is a report from Belgrade from our special correspondent Bilyana Mikhaylova.

[Mikhaylova] This accord provides the legal and contractual basis for our trade and economic relations with the FRY and is the foundation for restoring our traditional good and intensive cooperation in trade, which collapsed with the introduction of sanctions. Under the accord, the two sides will grant each other most favored nation status as regards customs duties, introduce mutual payment settlements in convertible currency, will conclude bank agreements, and will officially establish a mixed intergovernmental commission for economic cooperation as soon as the accord is ratified by the two countries' parliaments. It is envisaged that the first meeting of the new commission will take plane in Sofia in February, Kiril Tsochev, chairman of the Bulgarian side of the commission, said. He added that during his talks today a high assessment had been given to the support that the Bulgarian Government and Bulgarian diplomacy had given to Yugoslavia. Tsochev also pointed out that Bulgaria was regarded as a reliable partner, with whom it was possible not only to reach the previous level of trade of $320 million annually, but even to aim for a higher target of $500 million per year.

Talks Held on Economic Cooperation

LD1212155895 Belgrade TANJUG in English 1508 GMT 12 Dec 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, Dec 12 (TANJUG) — Yugoslav Prime Minister Radoje Kontic said here Tuesday he believed that Bulgaria and the FRY have entered a new stage.

This is what Kontic said at the talks with members of the Bulgarian state-economic delegation, headed by Deputy Prime Minister Kiril Tsochev, the Yugoslav secretariat for information said.

Opinions were exchanged about the promotion of Yugoslav-Bulgarian relations, first of all in the field of economic cooperation, as well as about basic issues of strengthening the peace process in the former Yugoslavia.

Prime Minister Kontic thanked the Bulgarian Government for its principled position regarding the resolution of the crisis in the former Yugoslavia and especially initiatives that sanctions on the FRY be lifted without delay.

Mutual readiness was expressed at the talks that the remaining inter-state accords be signed as soon as possible. The accords are intended to strengthen and develop trade, economic, scientific-technical and other cooperation of interest for the promotion of good-neighborliness and economic cooperation between Yugoslavia and Bulgaria.

The vice-president of the Bulgarian Government expressed his readiness for intensifying political and economic cooperation between the two countries and satisfaction at the lifting of sanctions to Yugoslavia, from which Bulgaria had 8.3 billion dollars of damage.

Mutual readiness was expressed for strengthening Balkan cooperation in the region for its quick and efficient return to contemporary European tracks and joining the European Union, the statement said.

Serbia

SPO's Draskovic Makes Statement on Peace Accord

AU1412172195 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 14 Dec 95

[Statement by SPO leader Vuk Draskovic on 14 December; place not given — recorded]

[FBIS Translated Text] We are happy with the signing of the peace agreement in Paris, and we pay tribute to all those who have contributed to the stopping of the war madness and creating hope for the Serbs, Muslims, and Croats to draw a lasting lesson from these horrible years of mutual extermination.

Hundreds of thousands of dead, millions of homeless, destroyed villages and towns, as well as the enormous hatred that has been sown among the people and nations, represent heavy chains for the future. But these chains must be cut and must come off; otherwise there will be no lasting peace and human life. The international military and police forces that are arriving in Bosnia-Herzegovina and Croatia must make it possible for all people to return safely to their homes and native regions and to prevent new ethnic cleansing or any kind of discrimination of people on a religious or national basis.

I believe and we in the SPO [Serbian Renewal Movement] believe that this will be the case. Therefore, we condemn all those who are urging the Serbs to flee from Sarajevo and those who intend to greet NATO soldiers with arms now that the peace agreement has been signed. Such appeals are both senseless and anti-Serbian, as well as cowardly.

Sarajevo will be a Serb city only if Serbs live there. So will Mostar, Zenica, Drvar, Knin, [Bosansko] Grahovo, and so forth. The SPO is fighting and will fight for all Serbs to stay in their property and homes, as well as for the return of all those who have been left without houses and their native regions. We will never accept a situation in which Serbs will no longer be present where they have lived for centuries.

Of course, this means that we will support the rights of all the others, the Muslims, Croats, Hungarians, and so forth, to return to where they have been expelled from.

I would also like the signing of peace in Bosnia and Croatia to be a lesson for us here in Serbia. We here should sign up to peace, too, we should end the half a century of war hatred, we should stop hatred in general, and we should stop ideological divisions and frictions, and turn to the future. We should rally around the economic, democratic, and cultural programs and the moral renewal of Serbia. As of today, the interests of our country, of our citizens, should be the number one interest. All of us should dedicate ourselves to this.

Poll Shows Milosevic Most Trusted Politician

LD1812175095 Belgrade TANJUG Domestic Service in Serbo-Croatian 1649 GMT 18 Dec 95

[FBIS Translated Text] Belgrade, 18 Dec (TANJUG) — Serbian President Slobodan Milosevic is the most trusted politician. In the next elections the Socialist Party of Serbia could get as many votes as all the other parties combined. Most of the population is dissatisfied with the economic situation, and television is the most trusted media as far as Yugoslav citizens are concerned. These are some of the results of the "Yugoslav Public Opinion in 1995" poll carried out by the Center for Political Research and Public Opinion of Belgrade University's Social Sciences Institute.

The poll is based on interviews with 2,000 Yugoslav citizens (excluding Kosovo and Metohija), Institute Director Dragomir Pantic told a news conference today. He said that the results are relatively reliable and that they were "checked subsequently."

According to Zoran Slavujevic, one of the the center's researchers, the poll shows that most Yugoslavs do not trust any institution or politician. In Serbia, more than half of the citizens place most of their trust in the Yugoslav army (53.3 percent), followed by the police, judiciary, and independent media. In Montenegro, most trust is placed in parliamentary institutions.

Slobodan Milosevic tops the list of the most popular politicians, and is closely followed by Ratko Mladic and Momir Bulatovic.

The largest number of people support president Milosevic's policy — that support is percentage-wise higher in Montenegro — and in Serbia they are of the opinion that the ruling Socialist Party of Serbia has fulfilled its election promises.

Ljiljana Bacevic, manager of the Center for Political Research and Public Opinion, said that citizens have a great deal of trust in the media, particularly in television, and that there is an obvious link between trust and the availability of some media.

The people of Yugoslavia have most trust in Radio and Television of Serbia [RTS], with the exception of the citizens of Belgrade, who place most trust in the Independent TV — Studio B — and the citizens of Montenegro, who have more trust in their own TV.

With regard to the general situation in the country, the mood is better compared with 1993, when a similar poll was carried out, but only one-third of those polled is expecting positive things, and they are hopeful of changes taking place in the new year.

The poll shows that 29.5 percent of those polled think that the peace plan for Bosnia-Herzegovina is not a satisfactory solution for the Serbs living in that former Yugoslav republic; 29 percent of them think it is satisfactory, while even 41 percent said they did not know.

The majority of those polled — 55.2 percent — think that an agreement on the return of refugees ought to be reached, while others are predominantly of the opinion that refugees should be granted Yugoslav citizenship.

Regarding future relations with former Yugoslav republics, the citizens favor establishing links. One-quarter of those polled believe that Yugoslavia should not establish any links, while one-half is in favor of only establishing trade and economic cooperation. Three-fifths of interviewees voiced their support for urgent integration in the European Union, while a relatively low percentage are against .

The majority of those polled consider the economic situation unsatisfactory, of whom 49.4 percent described it as very unsatisfactory, while 31.8 percent described it as mainly unsatisfactory.

Some 45.2 percent voiced their support for privatization, while 28.5 percent voted against.

SPS Vows To Preserve National Multiethnicity

AU1612210995 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 16 Dec 95

[Report by Ikonija Vostinic — recorded]

[FBIS Translated Excerpt] [Vostinic] Demonstrating their clear determination in favor of the policy of equality and development, 250 young people of various ethnicities from the Banat district became new members of the Socialist Party of Serbia [SPS] today. New membership cards sporting the SPS logo were also introduced at the ceremony in Kovin, organized for the occasion. Greeting the new young Socialists, the SPS members, and numerous guests, SPS Vice President Goran Percevic emphasized that Serbia was a country of all its citizens, and that it would not allow the formation of the ethnic ghettos:

[Percevic] The multiethnic character of our country has never been nor will it ever be a problem for the SPS, even though many are trying to impose it. The multiethnic character of our country is our country's privilege, I would say a treasure of various languages, histories, and historic experiences. I am convinced that with the policy of ethnic equality which we have pursued even so far we will best be able to resist the nationalism and the chauvinism, and all those who would like to use the multiethnic character of our country as the means of Serbia's destabilization.

[Vostinic] The signing of the peace agreement in Paris, Percevic continued, opened a clear perspective for an economically developed, culturally rich, and internationally affirmed Serbia. The forthcoming SPS congress, entitled Serbia 2000 — A Step in the New Century, is a program for a better future, which the SPS will know how to transform into reality with its political actions.

Bosko Perosevic, president of the Vojvodina executive council and SPS vice president, emphasized:

[Perosevic] Our biggest achievement in all this, apart from the political one for which we made great scarifies to achieve — the formation of the Serb Republic so that our people there would have the right to be equal and decide about their future by themselves — was that we did not become anyone's economic colony. Nobody succeeded in buying us. Why did they not succeed? Because we had agriculture, the power industry, and the oil industry. These three realms have allowed us to survive and simply not become an economic colony. On the contrary, we stayed politically and economically independent. We must exploit this fact to our greatest advantage to start the necessary development and consequently better life as quickly as possible. [passage omitted]

Commentary Lauds Accord, 'Peace-Loving' Milosevic

AU1412162095 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 14 Dec 95

[Unattributed commentary read by studio announcer]

[FBIS Translated Text] This Thursday, 14 December 1995, the day and the date that have gone down in history, the war in the former Yugoslav Republic of Bosnia-Herzegovina ended at exactly 1149, when Serbian President Slobodan Milosevic, at a ceremony at the Elysee Palace, signed the peace agreement on Bosnia that was reached at the U.S. Wright-Patterson Air Base near Dayton in Ohio 24 days ago.

The document, which has put an end to the three and half years of civil war in Bosnia-Herzegovina, was also signed by U.S. President Bill Clinton, French President Jacques Chirac, German Chancellor Helmut Kohl, the prime ministers of Russia and Great Britain, Viktor Chernomyrdin and John Major respectively, Spanish Prime Minister Felipe Gonzalez on behalf of the EU, as well as Croatian President Tudjman and the leader of the Muslims, Alija Izetbegovic.

As of today, the civil war in Bosnia is over. Peace, future cooperation, understanding, and economic and cultural development represent the future of this part of the world.

The Federal Republic of Yugoslavia will continue to strive for cooperation and development on the basis of equality of all the peoples in this region with the same kind of persistence with which it fought for peace and equality of the peoples in this part of the Balkans.

The policy of peace and equality that President Milosevic and our country promoted from the very beginning of the crisis are built in the very foundations of the agreement that was signed in Paris today. The correctness of the peace-loving policy of Yugoslavia, and especially that of President Slobodan Milosevic, whom the world has acknowledged as the Balkan leader who is turned toward peace more than anyone else, have been demonstrated once again.

As President Milosevic said, it is peace that is the victor.

Power Restrictions, Price Pressures Noted

AU1812091195 Belgrade NASA BORBA in Serbo-Croatian 13 Dec 95 p 16

[Report by J. Putnikovic: "Directors of EPS Negotiating With Premier Marjanovic"]

[FBIS Translated Text] Belgrade — Having frightened consumers by damage-induced disconnections of power on Monday [11 December] and announcements of planned restrictions made on Tuesday, the Electric Power Industry of Serbia [EPS] managed yesterday (up to the time this issue of NASA BORBA went to press) to keep supplying power without disconnecting certain groups of consumers.

To the question about the nature of the damages and whether the functioning of the electric power distribution network will be regulated through restrictions in the following days, nobody in the EPS was able to give us any official answer yesterday. Throughout the day the managers of EPS were holding meetings with Premier Mirko Marjanovic. Unofficial information suggested that yesterday, as well as on Monday, some of the generators were constantly breaking down. However, the situation was not as serious as the day before, when generators producing a total of 1,300 megawatts of energy had been out of function.

On Monday in Serbia 117 million kilowatt-hours were used, and in addition to the consumption in Montenegro, the Serb Republic, and Srem-Baranja region (former republic of Serbian Krajina) the EPS delivered 130 million kilowatt-hours of electric energy.

Yesterday we were not able to get an answer from EPS to another question as well: Why restrictions at a time when the temperature has fallen to about zero degrees Celsius? Particularly because this year the city's heating plants have been supplied with natural gas, and because there is enough gas to supply even Novi Sad's thermal power station and heating plant. All we managed to get were assumptions that in such a way the EPS is putting pressure on the government of Serbia to approve an increase in the price of electric energy and to keep the bloc tariff system [as published] through January as well.

At the meeting of the Executive Board of EPS on Monday a demand was made to the government that the price of electricity be increased by 62.7 percent, and that a bloc tariff exceeding 1,000 kilowatts should increase the price by four times, the one exceeding 1,500 kilowatts by five and a half times, while consumption exceeding 2,000 kilowatts should increase the price by as much as seven times. Recent unofficial reports say that the minister of energy supply, Dragan Kostic, has promised to director general of EPS Dusan Jovanovic a bloc tariff that increases prices by four, five, and six times, which would be a middle value between the current one and the overly-high demands of EPS. Whether the new prices were a topic discussed at yesterday's meeting with the government no one in EPS was ready to confirm. All we could get was a comment that they would be satisfied even if just the demand for a price increase were passed, without keeping the bloc tariff in January.

After the news that Banja Luka is finally without restrictions of electricity, some unofficial comments are heard that this has been achieved owing to the fact that power is being conveyed from Serbia to Croatia by pylons existing in the region of Banja Luka. According to those sources, power is just being exchanged for Croatian oil that will start flowing in through the Adriatic pipeline in a few days.

There is also a possibility that power might be exchanged for refined oil products, while Jugopetrol oil industries is supposed to start delivering oil from the refinery in Sisak already today.

Be that as it may, as long as nobody in EPS is ready to talk openly about all these topics, and even about export of electric energy, any damage-induced disconnection will cause suspicion among citizens sitting in the dark.

Montenegro

Power Industry Concerned; Price Increase Expected

AU1812091395 Belgrade NASA BORBA in Serbo-Croatian 13 Dec 95 p 16

[BETA report: "Electricity Imported at 15.60 Paras and Sold at 9.84 Paras per Kilowatt"]

[FBIS Translated Text] Podgorica, BETA — "The Electric Power Industry of Montenegro is very concerned because of the poor condition of the facilities and their inability to meet the needs of consumers, whereas a particular problem is the price of electric power," MONTENA-FAX reports.

In Podgorica it is said that the Montenegrin Electric Power Industry is paying almost twice as much for imported electricity as it is getting from end consumers, so that the current price does not even provide for simple reproduction. For several days already electricity has been imported from Russia and Bulgaria at the price of 15.60 paras [one hundredth of a dinar] per kilowatt-hour, whereas it is selling at mere 9.84 paras per kilowatt-hour. Expecting that the government of Montenegro will approve an increase in the price of electricity that has been proposed, the Electric Power Industry of Montenegro is not less concerned because of the announcement that the major manufacturer of aluminum, Aluminijski Kombinat, will increase production to 60 percent of its capacities. This will considerably increase consumption of electricity, causing a deficit of as much as 1 billion kilowatt-hours of electric power.

Kosovo

Commentary Criticizes Peace Accord 'Nightmare'

AU1612212795 Zurich BOTA SOT in Albanian 16 Dec 95 p 2

[Commentary by Milazim Krasniqi: "The Nightmare of Protocols and Agreements..."]

[FBIS Translated Text] The Dayton peace agreement, which pretends to mark the end of wars in the former Yugoslavia, was signed in Paris precisely on the 82d anniversary of the signing of the infamous Firenze protocol. The Firenze protocol sanctioned the massacring of Albanian lands, while the Dayton agreement ignored the Kosova issue, associating it solely with the so-called "exterior wall" of the international community's sanctions against Serbia and Montenegro. The signing of the Dayton agreement in Paris by the current leaders of world politics (Clinton, Kohl, Major, Chirac, Gonzalez, and Chernomyrdin) — some of whom prefer to say that, in this way, the Balkan crisis has ended — increases the fear that the Kosova issue has been incorporated in those peace calculations, thus in fact sanctioning the situation of its occupation by Serbia.

If this is the epilogue of this scenario, then it can be said that a fatal blow has been dealt to the independent movement of Kosova, which was distinguished by a powerful peaceful course. This movement was inaugurated in Kosova in 1990 and, with prudent but more timid propositions, testifies to the actualization of the political and constitutional framework of the Republic of Kosova. The credit due this movement in avoiding the conflict and its escalations in Serbian-Albanian relations and beyond has already been acknowledged. Convinced that such a peaceful determination that was convergent with the fundamental orientations of the international community would be rewarded, the Albanians endured the provocations and the violence, hoping that everything would be vindicated in the end. However, the symptoms of disillusion from the position of the relevant factors in the international politics are now very evident.

The letter signed by the representatives of seven Albanian political parties, which has been sent to the Paris Conference, is an expression of the dissatisfaction over the ignoring of the Kosova issue. The letter ends with the words: "...all the decisions that your conference can make on Kosova without the participation of the legitimate representatives of the people of Kosova are unacceptable for Albanians and cannot oblige us." At a meeting with compatriots in Sweden, academician Rexhep Qosja says that if he was in a position to make decisions, he would change "the organization, leadership, and the practical action of the parties." The reaction of the democratic Rightist League in Albania against the marginalization of the Kosova issue in the latest peace agreement is very significant and elucidates the framework in which there are chances for the further course of the Albanian political movement in Kosova to be displaced. If the ignoring of the political and national will of the Albanians will be sanctioned by the international community, then space for an powerful irredentist Albanian movement will be created instead of the independent one. With a powerful and organized diaspora, with the experience gained in the political fight in Kosova, and with support by certain political forces in Albania, such a movement will present a new challenge for Serbia and the international community. The problems with Albanians will then assume their real dimensions in conformity with their unsolved national issue. The possibility to avoid such scenarios lies only in implementing the political will of the Albanians, thus accepting the independence and neutrality of Kosova, a solution that is considered to be able to calm Albanians in the Balkans.

The two leaders of Albanian diplomacy, Serreqi [foreign minister] and Starova [deputy foreign minister], recently issued statements implying that the Kosova issue was ignored in the Dayton agreement. At a meeting with German parliamentarians, Starova is cited to have said that not treating the Kosova issue in this document (Dayton — our note) leaves room for a possible escalation of the conflict.

Nightmares and disillusion prevail in Kosova regarding the current treatment of Kosova by the international community. The diplomatic rhetoric cannot hide the fact that the Firenze protocols and phantoms of the Potakov-type generals are riding through their nightmares.

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